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INDEX AND SUMMARY OF H. R. 12648

LEGISLATIVE HISTORY

Public Law 87-879
H. R. 12648

Mar. 25, 1960	House Committee on Education and the Arts reported H. R. 12648 with amendments. H. Report No. 2226. Print of bill and reports.
May 30, 1960	House began debate on H. R. 12648.
May 31, 1960	House passed H. R. 12648 with amendments. Extension of remarks of Rep. Oscar Thompson on the provisions of bill.
July 11, 1960	H. R. 12648 was referred to the Senate Appropriations Committee. Print of bill as referred.
Aug. 11, 1960	Senate Committee on Appropriations reported H. R. 12648.
Aug. 17, 1960	Senate Committee on Appropriations reported H. R. 12648 with amendments (H. Report No. 2226). Print of bill and amendments.
Aug. 17, 1960	Senate passed H. R. 12648 with amendments.

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Senate conference with amendments.	
Sept. 1, 1960	House conference with amendments.
Sept. 1, 1960	Conference set to consider amendments.
Sept. 14, 1960	Conference provided jurisdiction to the House.
Sept. 14, 1960	Conference agreed to file a report.
Sept. 17, 1960	House received conference report on H. R. 12648. H. Report No. 2226. Print of report and a summary of the action of the conference.
Sept. 17, 1960	Senate began consideration of the conference report.
Sept. 17, 1960	Senate agreed to conference report and amendments as agreed to by the House.
Sept. 18, 1960	Senate agreed to conference report. Further action on amendments to be taken.
Sept. 18, 1960	Senate passed the conference report.

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LEGISLATIVE HISTORY

H. R. 12018
Public Law 87-573

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July 20, 1962	House Appropriations Committee reported H. R. 12648 without amendment. H. Report No. 2024. Print of bill and report.
July 24, 1962	House began debate on H. R. 12648.
July 25, 1962	House passed H. R. 12648 with amendments. Extension of remarks of Rep. Cooley discussing Public Law 480 provisions of bill.
July 27, 1962	H. R. 12648 was referred to the Senate Appropriations Committee. Print of bill as referred.
Aug. 21, 1962	Senate subcommittee approved H. R. 12648.
Aug. 22, 1962	Senate committee reported H. R. 12648 with amendments (S. Report No. 1908). Print of bill and report.
Aug. 25, 1962	Senate passed H. R. 12648 with amendments. Senate conferees were appointed.
Sept. 6, 1962	House conferees were appointed.
Sept. 7, 1962	Conferees met in executive session.
Sept. 12, 1962	Conferees granted permission to file report.
Sept. 14, 1962	Conferees agreed to file a report.
Sept. 17, 1962	House received conference report on H. R. 12648. H. Report No. 2381. Print of report and a summary of the action of the conferees.
Sept. 18, 1962	House began consideration of the conference report.
Sept. 19, 1962	House agreed to conference report and insisted on disagreement to certain amendment.
Sept. 24, 1962	Senate agreed to conference report. Further conferees appointed for amendments in disagreement.
Sept. 26, 1962	Conferees met in executive session,

- Oct. 2, 1962 House received further conference report. H. Report No. 2514. Print of report.
- Oct. 4, 1962 House acted on amendments in disagreement and insisted on disagreement to all other amendments formerly reported in disagreement.
- Senate Appropriations Committee reported S. J. Res. 234, continuing resolution on appropriations. S. Report No. 2277. Print of resolution and report.
- Senate passed S. J. Res. 234 without amendment.
- Oct. 5, 1962 Senate considered further the conference report on H. R. 12648, and insisted on items in disagreement.
- Oct. 8, 1962 Sen. Russell defended his position in the controversy over this bill, H. R. 12648.
- Oct. 10, 1962 House, by a vote of 245 to 1, agreed to H. Res. 831 rejecting S. J. Res. 234 and returning it to the Senate.
- Sens. Russell and Morse criticized House action on S. J. Res. 234.
- Oct. 11, 1962 House and Senate conferees appointed for further conference. Both Houses received and agreed to conference report. H. Report No. 2554. Print of report.
- Oct. 24, 1962 Approved: Public Law 87-879.

DIGEST OF PUBLIC LAW 87-879

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION ACT, 1963. Title I of the Act provides appropriations for general activities of the Department (other than Forest Service) for the fiscal year 1963 in the amount of \$1,485,319,500. Title II (Credit Agencies) provides loan authorizations of \$820,000,000, including \$150,000,000 contingency authorizations, and appropriates \$44,606,000 for the administrative expenses of the Rural Electrification Administration and the Farmers Home Administration. Title III (Corporations) appropriates \$2,278,455,000 for reimbursement to Commodity Credit Corporation for net realized losses, \$95,000,000 for reimbursement to CCC for 1962 costs of the Special Milk Program, and provides an administrative expense limitation of \$43,188,500 for the Commodity Credit Corporation. Title III further provides an appropriation of \$6,799,000 (increase of \$250,000 over 1962) for the Federal Crop Insurance Corporation and, in addition, provides that not to exceed \$3,080,000 (increase of \$250,000) of administrative and operating expenses may be paid from premium income. Title IV (Foreign Assistance Programs) appropriates \$1,576,850,000 for fiscal year 1963 and unrecovered prior years' costs of Public Law 480, International Wheat Agreement, and Bartered Materials for Supplemental Stockpile programs. Title V provides an administrative expense limitation of \$2,565,000 for the Farm Credit Administration. Permanent appropriations for 1963 are available in the estimated amount of \$388,016,398. (At the end of this Digest is a summary table of appropriations for fiscal year 1963 compared with 1961 and 1962).

Items of major significance in the Act for the Department of Agriculture, including amounts of increase or decrease over 1962 are as follows:

AGRICULTURAL RESEARCH SERVICE: \$174,443,500 appropriated, a net increase of \$9,914,000. Changes include: Salaries and expenses an increase of \$9,150,000 for research (including \$2,780,000 appropriated for construction, alteration and equipping of research facilities, and an increase of \$4,875,000 for expanded utilization research); a decrease of \$25,000 for plant and animal disease and pest control; and an increase of \$789,000 for meat inspection activities. Salaries and expenses (special foreign currency program)-- \$5,265,000 appropriated (same as 1962).

COOPERATIVE STATE EXPERIMENT STATION SERVICE (principally payments to States): \$38,207,000 appropriated, an increase of \$2,000,000.

EXTENSION SERVICE (principally payments to States): \$75,344,500 appropriated, an increase of \$4,540,000.

SOIL CONSERVATION SERVICE: Conservation operations--\$90,705,500 appropriated (an increase of \$1,069,500 which consists of \$500,000 for assistance to new soil conservation districts, \$400,000 for soil surveys, \$94,500 for snow survey work, and \$75,000 for plant materials centers); Watershed protection--\$60,585,000 appropriated (a net increase of \$6,839,000); Flood prevention--\$25,000,000 appropriated (an increase of \$1,000); Great Plains conservation program--\$12,250,000 appropriated (an increase of \$2,083,000).

ECONOMIC RESEARCH SERVICE: Salaries and expenses--\$9,500,000 appropriated, an increase of \$90,000.

STATISTICAL REPORTING SERVICE: Salaries and expenses--\$9,693,000 appropriated, an increase of \$935,000 consisting of \$760,000 for extension of the long-range crop and livestock estimates program and \$175,000 to initiate work on quarterly pig crop reports.

AGRICULTURAL MARKETING SERVICE: Marketing research and service--\$39,794,500 appropriated (an increase of \$1,810,000); Payments to States--\$1,425,000 appropriated (an increase of \$100,000); Special milk program--\$105,000,000 appropriated (this program was financed in 1962 by authorization for advance of \$105,000,000 from Commodity Credit Corporation); School lunch program--\$125,000,000 appropriated (same as 1962). The Act also provides that \$45,000,000 (same as 1962) shall be transferred from Section 32 funds for purchase of agricultural commodities for distribution to schools.

FOREIGN AGRICULTURAL SERVICE: Salaries and expenses--\$16,895,000 appropriated (an increase of \$3,850,000 primarily to finance market development programs abroad). The Act also authorizes transfer of \$3,117,000 (same as 1962) from Section 32 funds to this appropriation; Salaries and expenses (special foreign currency program)--\$4,000,000 appropriated (an increase of \$1,144,000).

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE: Expenses, Agricultural Stabilization and Conservation Service--\$95,423,000 appropriated (this item represents a new consolidated appropriation account for expenses of administering agricultural stabilization and adjustment programs and is a decrease below 1962 of \$8,837,467 on a comparable basis); Sugar Act program--\$77,650,000 appropriated (an increase of \$1,873,013 on a comparable basis); Agricultural conservation program--\$212,900,000 appropriated which, together with administrative expenses, and balances available under the 1960 program, provides the full \$250,000,000 authorized for the 1962 program. The Act also authorizes a \$250,000,000 program for the 1963 crop year. Conservation reserve program--\$300,000,000 appropriated (a decrease of \$1,371,537 on a comparable basis).

NATIONAL AGRICULTURAL LIBRARY: Salaries and expenses--\$1,153,500 appropriated (an increase of \$125,000).

GENERAL ADMINISTRATION: Salaries and expenses--\$3,341,000 appropriated (an increase of \$245,000 which includes \$85,000 for rural area development activities). In addition, transfer authority of \$225,000 was provided for the expenses of the Office of Internal Audit and Inspection.

RURAL ELECTRIFICATION ADMINISTRATION: Loan authorizations--\$480,000,000 consisting of \$400,000,000 for electrification loans (increase of \$155,000,000; however, \$400,000,000 authorization includes \$100,000,000 contingency reserve for both the electrification and telephone programs); \$80,000,000 for telephone loans (decrease of \$82,500,000); Salaries and expenses--\$10,024,000 appropriated (same as 1962).

FARMERS HOME ADMINISTRATION: Loan authorizations--\$340,000,000, consisting of \$50,000,000 for real estate loans (a decrease of \$1,000,000); \$290,000,000, including \$50,000,000 contingency reserve, for operating loans (increase of \$5,000,000). Salaries and expenses--\$34,582,000 appropriated (increase of \$200,000).

UNITED STATES DEPARTMENT OF AGRICULTURE

Summary of Appropriations, Fiscal Years 1961, 1962, and 1963

[Note.--Amounts include all supplemental appropriations to date, and are adjusted for comparability with the 1963 appropriation structure.]

Agency or Item	Appropriations		
	1961	1962	1963
ANNUAL APPROPRIATIONS FOR GENERAL ACTIVITIES:			
Agricultural Research Service	\$170,836,616:	\$165,329,500:	\$174,443,500
Cooperative State Experiment Station Service	33,192,330:	36,207,000:	38,207,000
Extension Service	67,431,000:	70,804,500:	75,344,500
Soil Conservation Service	155,096,313:	178,548,000:	188,540,500
Economic Research Service	8,997,454:	9,410,000:	9,500,000
Statistical Reporting Service	8,101,405:	8,758,000:	9,693,000
Agricultural Marketing Service	145,229,065:	164,309,500:	271,219,500
Foreign Agricultural Service	17,445,299:	15,901,000:	20,895,000
Agricultural Stabilization and Conservation Service	690,098,000:	695,598,000:	685,973,000
Forest Service	260,853,500:	243,269,000:	223,295,000
All other	10,822,187:	11,124,000:	11,503,500
Net adjustment to reflect comparative transfers	1,295,431:	- - :	- -
Total, Annual Appropriations for General Activities	1,569,398,600:	1,599,258,500:	1,708,614,500
CREDIT AGENCIES:			
Rural Electrification Administration:			
Loan Authorizations	310,000,000:	407,500,000:	480,000,000
Salaries and Expenses	10,024,000:	10,024,000:	10,024,000
Farmers Home Administration:			
Rural Housing Grants and Loans	200,000,000:	10,000,000:	- -
Direct Loan Account	267,000,000:	336,000,000:	340,000,000
Salaries and Expenses	33,017,000:	34,382,000:	34,582,000
Total, Credit Agencies	820,041,000:	797,906,000:	864,606,000
CORPORATIONS:			
Federal Crop Insurance Corporation:			
Administrative and Operating Expenses	6,561,000:	6,549,000:	6,799,000
FCIC Fund (operating expenses payable from premium income)	[2,630,000]	[2,830,000]:	[3,080,000]
Total, Federal Crop Insurance Corp.	6,561,000:	6,549,000:	6,799,000
Commodity Credit Corporation:			
Reimbursement for Net Realized Losses	1,226,500,000:	1,017,610,000:	2,278,455,000
Reimbursement to CCC for Costs of Foreign Assistance and other Special Activities	1,443,634,000:	1,861,915,000:	- -
Reimbursement for Special Milk Program: Limitation on Administrative Expenses	- - : [45,726,000]:	90,000,000: [47,916,000]:	95,000,000: [43,188,500]
Total, Commodity Credit Corporation..	2,670,134,000:	2,969,525,000:	2,373,455,000
Total, Corporations	2,676,695,000:	2,976,074,000:	2,380,254,000
FOREIGN ASSISTANCE PROGRAMS	- - :	1,600,000,000:	1,576,850,000
PERMANENT APPROPRIATIONS:			
Removal of surplus agricultural commodities (section 32)	319,960,723:	325,826,750:	318,068,537
All other	125,301,879:	119,394,639:	117,894,793
Total, Permanent Appropriations	445,262,602:	445,221,389:	435,963,330
Total, Department of Agriculture	5,511,397,202:	7,418,459,889:	6,966,287,830

in Senate September 6, 1962; in House October 1, 1962).

S. Con Res. 62, extending the congratulations of Congress to the non-salaried supervisors, commissioners, and directors of the soil conservation districts upon the occasion of the 25th anniversary of the inception of the SOIL CONSERVATION district program (agreed to in Senate March 29, 1962; in House May 7, 1962).

H. Res. 728, providing funds for further studies and INVESTIGATIONS conducted by the COMMITTEE ON AGRICULTURE (agreed to July 25, 1962).

H. Res. 831, rejecting S. J. Res. 234, making CONTINUING APPROPRIATIONS for the Department of Agriculture and the Farm Credit Administration for fiscal year 1963, as an infringement on the privileges of the House (agreed to October 10, 1962).

H. Con. Res. 473, granting congressional approval for the disposal of certain materials (including silk noils, abaca and sisal fibers, vegetable tannins, castor oil, and certain minerals), which are not obsolescent within the meaning of the Strategic and Critical Materials Stock Piling Act, from the NATIONAL STOCKPILE (agreed to in House June 4, 1962; agreed to in Senate June 21, 1962).

H. Con. Res. 474, extending the greetings and felicitations of the Congress to the BETHEL HOME DEMONSTRATION CLUB of Bethel Community, Sumter County, South Carolina (agreed to in House August 6, 1962; agreed to in Senate September 26, 1962).

H. Con. Res. 509, granting congressional approval for the disposal by the General Services Administration of approximately 12,245 long tons of chestnut tannin extract from the NATIONAL STOCKPILE (agreed to in House August 20, 1962; agreed to in Senate September 20, 1962).

H. Con. Res. 574, authorizing the compiling and printing of a United States MAP showing the extent of public surveys, national parks, national FORESTS, Indian reservations, national wildlife refuges, and reclamation projects (agreed to in House September 27, 1962; agreed to in Senate October 2, 1962).

PRESIDENT'S REORGANIZATION PLAN, 1962

Plan No. 2 (H. Doc. 372), establishing the Office of Science and Technology as a new unit in the Executive Office of the President, placing at the head a Director appointed by the President by and with the advice and consent of the Senate and making provision for a Deputy Director similarly appointed; and transferring to the Director certain functions of the National Science Foundation under sections 3(a) (1) and 3(a) (6) of the National Science Foundation Act of 1950. Also provides for certain reorganizations within the National Science Foundation. House rejected H. Res. 595, disapproving this plan, on May 15, 1962, and the plan became effective under the 60 days waiting period for congressional approval on June 8, 1962.

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provisions of the bill and report to the committee whether additional amendments should be made". pp. 13290-1

13. ADJOURNED until Mon., July 23. p. 13365

HOUSE

14. AGRICULTURAL APPROPRIATION BILL, 1963. The Appropriations Committee reported this bill, H. R. 12648 (H. Rept. 2024) (p. 13434). Attached to this Digest is a copy of the Committee report, at the end of which is included a summary table reflecting committee action on the bill.

15. SECOND SUPPLEMENTAL APPROPRIATIONS. Received the conference report on H. R. 11038, the second supplemental appropriation bill for 1962 (H. Rept. 2025) (pp. 13409-10, 13434). The report provides \$2,750,000 for the screwworm eradication program for the Agricultural Research Service. Direct Loan Account, Farmers Home Administration reported in disagreement. The report includes the following paragraph:

"The conferees hope that since the bill was passed by both bodies the fiscal year has ended and some items are no longer necessary. The managers on the part of the House will propose a concurrent resolution to change the engrossed House bill to eliminate those items which are now found unnecessary due to the lapse of time."

16. DEFENSE APPROPRIATIONS. Conferees were appointed on H. R. 11289, the Department of Defense appropriation bill. Senate conferees have already been appointed. p. 13367

17. STATE DEPARTMENT APPROPRIATIONS. By a vote of 266 to 114, passed with amendment H. R. 12580, making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for 1963. pp. 13375-409

18. FOREIGN AID. Received the conference report on S. 2996, the proposed Foreign Assistance Act of 1962 (H. Rept. 2008). pp. 13368-74, 13434

19. WHEAT. Received from this Department a proposed bill to extend the International Wheat Agreement Act of 1949; to Banking and Currency Committee. p. 13433

20. FARM PROGRAM. Rep. Stratton discussed his amendment to the farm bill with regard to compensatory payments on milk-marketing orders which was rejected on a point of order during debate on the farm bill, and criticized the ruling of the chair. p. 13412

21. ELECTRIFICATION. Representatives Michel, Collier, and Slack criticized REA loan policies. pp. 13422-7

22. FARM LABOR. Rep. Cooley inserted a letter from several members of the Agriculture Committee to Secretary Goldberg criticizing a recent ruling by the Labor Department with regard to a limitation on the employment of Mexican farm contract workers, pp. 13432

23. LEGISLATIVE PROGRAM. Rep. Albert announced the following legislative program: Mon., the conference report on H. R. 11038, the second supplemental appropriation bill; Tues., H. R. 12648, Department of Agriculture appropriations, and the conference report on S. 2996, the proposed Foreign Assistance Act of 1962. pp. 13410-1

24. ADJOURNED Until Mon., July 23. p. 13433

ITEMS IN APPENDIX

25. FARM PROGRAM. Speech of Rep. Udall during debate in the House commending Secretary Freeman and explaining why he voted against the proposed Food and Agriculture Act of 1962, pp. A5580-1
26. FOREIGN AID. Extension of remarks of Rep. Ashbrook decrying the ungratefulness with which foreign countries receive American aid. p. A5581
Extension of remarks of Rep. Keith inserting an editorial criticizing the foreign aid program. pp. A5588
27. FOREIGN TRADE. Extension of remarks of Sen. Mundt inserting an article which analyzes the effect of the Common Market on American agricultural exports. p. A5587
Extension of remarks of Sen. Hartke inserting an article which discusses the Soviet fear of the Common Market. pp. A5593-5
28. LAND-GRANT COLLEGES. Extension of remarks of Rep. Olsen inserting an article commending the achievements of the Creston Agriculture Experiment Station, Montana. pp. A5592-3.
29. PERSONNEL. Extension of remarks of Rep. Multer inserting his statement supporting Federal employee salary increases. pp. A5620-1
30. DAIRY PRODUCTS. Extension of remarks of Rep. Quie inserting an article criticizing USDA control program for dairy products. pp. A5623-4

BILLS INTRODUCED

31. IMPORTS. H. R. 12635 by Rep. Thompson, N.J., to amend section 311 of the Tariff Act of 1930 to permit the manufacture in bonded manufacturing warehouses of cigars made of tobacco imported from more than one foreign country; to Ways and Means Committee.
H. J. Res. 827 by Rep. Waggonner, requesting the President to enter into negotiations with Canada with respect to imports of softwood and authorizing the establishment of temporary import quotas for softwood; to Ways and Means Com.
32. TOBACCO. H. R. 12640, by Rep. Henderson; to amend the provisions of the Agricultural Adjustment Act of 1938 relating to tobacco to permit increased allotments to compensate producers of flue-cured tobacco for production losses sustained through natural disasters; to Agriculture Committee. Remarks of author p. A5623
33. RESERVOIRS. H. R. 12642 by Rep. Cooley, to authorize the Secretary of Agriculture to install a system of small and intermediate-size reservoirs in the Cape Fear River Basin, N. C.; to Agriculture Committee.
34. SURPLUS PROPERTY. H. R. 12643 by Rep. Curtis, Mo., to amend section 203(k) of the Federal Property and Administrative Services Act of 1949 to permit the transfer of surplus property for certain uses by educational institutions; to Government Operations Committee. Remarks of author p. 13427
35. VETERANS' BENEFITS. H. R. 12645, by Rep. Osmer, to amend title 38, United States Code, to provide vocational rehabilitation, education, and training, and loan guarantee benefits to persons who served in the Armed Forces on or after January 1, 1962, in combat zones; to Veterans' Affairs Committee.

DEPARTMENT OF AGRICULTURE AND RELATED
AGENCIES APPROPRIATION BILL, 1963

JULY 20, 1962.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. WHITTEN, from the Committee on Appropriations, submitted the
following

R E P O R T

[To accompany H.R. 12648]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Agriculture and related agencies for the fiscal year 1963. The bill covers estimates contained in the 1963 Budget, pages 83-169 and 796-800, and budget amendments contained in H. Doc. 447, dated June 25, 1962.

This bill provides funds for the general operations of the Department, including various activities such as research, disease and pest control, extension, soil and water conservation, marketing services, agricultural credit, crop insurance, the Commodity Credit Corporation, and foreign assistance programs.

The bill includes total appropriations of \$5,477,092,500 for these purposes in the coming year, a reduction of \$877,690,500 (nearly 14%) in the budget requests totaling \$6,354,783,000.

A summary of the budget requests and amounts recommended by the Committee follows. A detailed breakdown by individual appropriations appears at the end of the report.

Item	Budget request	Recommended in bill	Reduction
General activities.....	\$1, 510, 069, 000	\$1, 465, 832, 500	—\$44, 236, 500
Credit agencies.....	55, 324, 000	44, 406, 000	—10, 918, 000
Corporations.....	2, 602, 455, 000	2, 390, 004, 000	—212, 451, 000
Foreign assistance.....	2, 186, 935, 000	1, 576, 850, 000	—610, 085, 000
Related agencies—Farm Credit Administration.....	(2, 565, 000)	(2, 565, 000)	-----
Total.....	6, 354, 783, 000	5, 477, 092, 500	—877, 690, 500

ONE HUNDRED YEARS OF PROGRESS

In the past 100 years since the United States Department of Agriculture was created by President Lincoln on May 15, 1862, our Nation has developed the highest standard of living of any nation in history. To this American agriculture has made a significant contribution.

As we observe the Department's Centennial Anniversary this year it is appropriate to call attention to the fact that the achievements of American agriculture are the envy of the rest of the world. American agriculture has met every need for food and fiber at home and abroad, in war or in peace. For the first time in the history of man, the terror of famine has been replaced by the problems of feast.

It is well to compare the situation in 1862 with 1962.

In 1862, one American out of five was working directly on the farm, leaving only four persons to do the other things essential to the Nation's economy. In 1962, only one out of 27 persons is directly engaged in growing our food and fiber, leaving the other 26 available to produce and provide all those things which make for the highest standard of living ever enjoyed by any nation.

Not only that, but the system of agriculture built up in this country during the past century has made American farm products of superior quality. Their wholesomeness and variety are without limit. In much of the rest of the world, what we consider to be essential foods are not to be had at any price.

Further, the past 100 years of agricultural advancement has made food the American consumer's best bargain, costing only one-fifth of his take-home pay. One hour of work today will buy from three to four times as much food as it would only half a century ago. During this period, consumer income has increased elevenfold, from \$33.7 billion in 1912 to \$416 billion in 1961, while the cost of food has gone up only threefold, approximately 200%.

It is the normal thing for people in most areas of the world to spend one-half or more of their total income for food. The latest United Nations figures show the percentage of income spent for food in certain areas as follows: Italy, 45 per cent; Japan, 46 per cent; Ceylon, 52 per cent; Nigeria, 70 per cent. In the United States, food costs take only 20 per cent or less of the disposable income, as compared to over 50 per cent in Russia.

This is the success story of our Nation!

It did not just happen, nor was it an accident. It has been the result of our various agricultural programs—plus the hard work, ingenuity, and ability of the American farmer. To this the Department of Agriculture has contributed tremendously through research, education, technical help, economic aid, and other services.

The health and welfare of the American people and the growth of our Nation during the past century is largely the result of the creation of the most efficient and productive agricultural enterprise ever known to man!

MANY AGRICULTURAL PROBLEMS FACE THE NATION

Despite this outstanding record of performance, the farmers of the nation are still faced with many difficult problems. These problems have a direct effect on all of the American people.

The cost price squeeze is becoming more acute year after year. During the past 10 years, the farmer's share of the retail food dollar declined from 49 cents in 1951 to 38 cents in 1961, a reduction of nearly one-fourth. During this same period, cash receipts from farming remained constant while production costs went up each year. As a result, net income to farmers decreased from a high of \$15.3 billion in 1951 to \$11.6 billion in 1960, a reduction of over 25 per cent. It recovered slightly to \$12.7 billion in 1961. This reduction in rural purchasing power has had a depressing effect on industry and labor during these years.

Also, as our farm population has declined and the number of farm units has decreased, the size of farms and financial risk has increased substantially. The average investment required to farm increased nearly 600 per cent in 20 years, from \$6,094 in 1949 to \$34,648 in 1960 and \$35,425 in 1961. During this same period, the farm debt increased from \$9.6 billion in 1940 to \$22.9 billion in 1960 and \$24.1 billion in 1961.

Further, the vagaries of weather and the threats to crops and livestock from insects and diseases continue to cost the nation billions of dollars annually and continue to increase the financial risk to the farmer. Half a century ago, a farmer could survive as many as seven crop failures in a row. With the tremendous financial risks involved in present day farming, the loss of a crop for a single year can result in bankruptcy for many farmers.

Cash returns to the farmer must include a proper return for (1) investment, (2) management, (3) labor, and (4) risk. Unless cash returns are sufficient to provide for all four, the land will be depleted, farm purchases will decline, and, judging by history, the general economy will suffer.

Perhaps the most serious problem facing agriculture today is the failure of the American consumer to fully understand the farmer's problems and to realize that the economic strength of the entire nation is dependent upon a healthy agriculture, with its tremendous purchasing power, constituting by far the biggest market for labor and industry

AGRICULTURE—KEY TO HIGH STANDARD OF LIVING

In recent years the United States has been spending large sums of money to maintain its position in the world and support its defense and defense related activities at home and abroad. For the coming fiscal year, we will use an estimated 69 per cent of our Federal Budget for national defense, international programs, space activities, and the care of war veterans. Some 4 million persons will be in active or reserve military status. In addition, millions of people will be em-

ployed in supporting this vast army, producing planes, submarines, ships, missiles and other defense requirements.

The public debt has been increasing year by year as a result of these and other Federal expenditures. The public debt of \$257 billion in 1950 increased to \$286 billion in 1960. It is expected to increase further to \$295 billion by June 30, 1963. A total debt ceiling of \$308 billion was recently adopted by the House.

Though we have been and are now suffering some inflation as a result of these pressures on our economy, our standard of living has continued to be the highest ever enjoyed by the people of any nation in history.

We have been able to carry such a heavy financial burden and the resulting inflation, without decreasing our standard of living, because fewer and fewer people are producing more and more food and fiber, which releases more and more of our population for other purposes.

When this country was young, 90 per cent of the people lived on the farm. Most of them had to produce their own food and fiber with the plow and the hoe. Today, about 10 per cent of our people live on the farm, with less than 4 per cent working in the fields to produce enough to feed our entire population.

It now takes so few of us to produce the food, clothing, and shelter for the rest of us, that the rest of us can provide the highest standard of living ever known for all of us.

HEALTHY AGRICULTURE ESSENTIAL TO ENTIRE ECONOMY

The economic welfare of each segment of the Nation's economy is dependent on the economic strength of each of the others. Our history demonstrates that labor and industry are prosperous only when the agricultural economy is strong and healthy.

Agriculture is the principal source of new wealth. It is the main provider of basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates 7 dollars of income throughout the rest of our economy.

Agriculture is our largest industry. It employs 12 times the number of people in the steel industry, 9 times the number in the automobile industry, and twice the number in the transportation and public utility industries. In addition, it supports directly another 10 per cent of our non-farm population which supplies the farmer with his needs and processes and markets his products.

Agriculture is one of the major markets for the products of industry. Agriculture uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in the country. It uses more rubber each year than is required to produce tires for 6 million automobiles. Its inventory of machinery and equipment exceeds the assets of the steel industry, and is five times that of the automobile industry.

Urban workers benefit directly from this rural demand for machinery, equipment, supplies and the other items used on the nation's farms. Significant changes in this demand, therefore, have a direct effect on business and employment in urban areas. Every major business recession in this country has been preceded by the loss of income and purchasing power at the farm level.

It is estimated by the Department of Agriculture that, while over 78 percent of the farms produce only 28 percent of the farm products, such farms incur about 50 percent of the total production expenses. Production changes on this large number of smaller farms, therefore, can affect as much as half the agricultural market—with major consequences for labor and industry in urban areas.

This important rural market must be protected by the assurance of adequate income to the producers of farm commodities and maintenance of farm purchasing power. *Business prosperity and full employment in the cities is dependent on a strong and dependable agricultural market, including both large and small farms.*

AGRICULTURAL PROGRAMS HAVE BROAD BENEFITS

Critics of agriculture who are not aware of the true facts frequently charge the entire cost of the Department of Agriculture to the American farmer.

These people overlook the fact that research, insect and pest control, meat and poultry inspection, school lunch and special milk programs, market inspection, fruit and vegetable inspection, soil conservation, flood prevention, watershed protection, and many other programs of the Department have direct benefits to every person living in the United States and to future generations. They disregard the fact that many segments of our economy other than the farmer are important beneficiaries of our farm programs—in fact they receive more than 50 percent of each consumer dollar spent for food.

Several years ago, in cooperation with officials of the Department, a special analysis was made of the benefits received by the general public from Federal funds spent for agriculture. It was determined that, of the funds expended by the Department of Agriculture for fiscal year 1960, over 54 percent had benefits to the general public of equal importance to those for the farmer. A similar study made this year shows the same to be true for the funds appropriated to the Department for fiscal year 1962.

It is important, therefore, that everything possible be done during this centennial year for agriculture to fully inform every person in the nation of the problems facing the American farmer and the value of agricultural programs to all Americans. It is essential that everyone work together for sound legislation and adequate funds to conduct our agricultural programs for the maximum benefit of all segments of our population.

In no other nation in the world's history have less than 10 percent of the people been able to feed and clothe the entire population. In no other nation have the consumers enjoyed such a plentiful supply of wholesome and nutritious food at such a low cost. In few other nations in history have the terrors of famine been replaced by problems of surplus.

Unless all groups interested in agriculture work together to make it possible for our rural population to earn a satisfactory living, it is conceivable that the time could come when some of the 90 percent non-farm population will again have to return to the soil to obtain their food supply.

THE EUROPEAN COMMON MARKET

Another important development facing American agriculture in the coming years, as well as other segments of our economy, is the growth of the Common Market in Europe. The Common Market Countries—France, Germany, Italy, Belgium, the Netherlands and Luxembourg—with a population of 170 to 180 million people, represent one of the world's largest trading communities. In 1960, the Common Market share of total U.S. farm exports amounted to \$1.1 billion, about 22 percent of the total.

Considerable progress has been made by the six member nations in removing tariffs and trade restrictions on industrial goods among themselves. Progress in the area of agricultural trade has been slower, however, since barriers are much greater and differences are much more difficult to resolve. This holds some hope for continued markets in Europe for U.S. agriculture.

The most significant recent development has been the application of the United Kingdom, Denmark and Ireland for membership in the Common Market. The United Kingdom has long been the number one foreign market for U.S. agricultural commodities. In 1960 U.S. exports to the United Kingdom totaled around \$500 million, some 10 percent of total U.S. agricultural exports that year.

It is impossible to foresee the ultimate effect of the Common Market on American agriculture. Its importance is obvious when it is realized that about 32 percent (\$1.6 billion) of all U.S. agricultural exports in 1961 went to the United Kingdom-Common Market area.

The Department of Agriculture estimates that the production from one out of every six acres harvested in the United States goes into export trade. The possible exclusion of the United States from the European market for certain commodities, or even a decrease in U.S. imports into the area, could force a serious reduction in U.S. production, with its many economic problems for this country.

It is essential, therefore, that American agriculture be kept economically strong during this period when it must adjust to meet developments of the Common Market. It is important that our legislative and appropriation bills be designed to keep our farm industry in a strong economic position. It is necessary that the Congress, the Executive Branch, and representatives of agriculture work together to keep U.S. commodities in the European market on a competitive basis. It is of primary importance that U.S. agricultural interests be actively represented in Common Market negotiations and that they continue their market development and sales promotion activities in this important market.

PERSONNEL REQUIREMENTS

Average annual employment in the Department of Agriculture (exclusive of the Forest Service which is no longer financed from funds carried in this bill) has increased from 47,793 in fiscal year 1954 to an estimated 63,428 in fiscal year 1962. This is a total increase of 15,635 full-time positions, nearly 33 percent.

Recognizing the need to limit further personnel expansion in the Department, funds recommended in the bill for additional employees in the next fiscal year have been held to an absolute minimum. Further, in several instances, agencies are being required to provide a large part of the funds needed to finance additional personnel by making offsetting reductions in other expenditures.

The Committee is aware that continued personnel expansion is not the answer to the problems facing American agriculture. It feels that most of the agencies of the Department should meet their new and additional program requirements next year within existing funds and personnel.

The 1963 Budget, as amended by estimates in House Document 447 and screwworm eradication estimates, would provide a net increase of 1,940 man years of employment for the next fiscal year. The Committee has reduced that number by 826 (43%) and recommends funds for only 1,114 additional positions (some of which will be only temporary) for the following purposes deemed to be most essential to the health and welfare of the American people:

Agricultural Research Service:

To staff new research laboratories previously authorized by Congress and now ready for operation.....	215
To strengthen the control of plant and animal diseases, including hog cholera and screwworm eradication.....	421
To increase meat inspection.....	113
	749

Soil Conservation Service:

To provide technical assistance to new soil conservation districts.....	69
To expand the small watershed protection program (Public Law 566).....	299
To increase the Great Plains conservation work.....	24
	392

Statistical Reporting Service: To continue the long-range program for improvement of crop and livestock estimates.....

108

Agricultural Marketing Service:

To extend and modernize market news service and studies.....	5
To strengthen grain grading.....	18
To increase poultry inspection.....	65
To strengthen administration of Packers and Stockyards Act.....	15
To increase warehouse inspection.....	6
	109

Foreign Agricultural Service: To strengthen representation on trade groups and European Common Market.....

10

General Administration:

To increase assistance to Secretary, Under Secretary, and Assistant Secretaries.....	7
To establish new audit and investigation unit and increase examination and control of budgets.....	29
	36

Total increase.....	1,404
Less: Personnel reductions proposed for CCC and other agencies.....	290

Net increase..... 1,114

REQUESTS FOR ADDITIONAL PROJECTS

Numerous Members of Congress and others appeared before the Committee again this year on behalf of projects and programs of importance to their areas. Most of these proposals have real merit and would make a valuable contribution to agriculture and the American consumer. However, they would increase the budget by nearly \$300 million in total.

The Committee is aware of the needs represented by these proposals and would like to be in a position to provide the necessary additional funds requested. As pointed out earlier, however, a special effort has been made this year to hold down personnel expansion in the Department. Increases have been allowed only in those areas where additional funds and personnel are absolutely necessary to staff new laboratories already constructed and meet other program commitments which cannot be deferred or eliminated.

The Department is requested to review the testimony presented to the Committee and make a thorough study of the need for and importance of the various proposals made. To the maximum possible extent the Department should give attention to these needs within the funds and personnel allowed for the next year. In most of these areas, the Department is already spending large sums. The Committee feels that redirection and change of emphasis would meet many of these additional needs.

The Administrator of the Agricultural Research Service should take the additional research proposals totaling nearly \$5 million into consideration in allocating funds from his contingency research fund, which is authorized again this year. Also, the Department should consider these various projects in connection with the preparation of future budgets. Most of these proposals are the result of urgent needs felt at the local level and, therefore, should be given high priority in planning and conducting future operations. An example of this is the great need in the Southwest for additional research on the recharging of underground water supplies. Other examples include research on dogfly control along the gulf coast and tick eradication in Arkansas.

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

The Agricultural Research Service was established by the Secretary of Agriculture on November 2, 1953, under the authority of the Reorganization Act of 1949 (5 U.S.C. 133z-15), the Reorganization Plan No. 2 of 1953, and other authorities. It conducts farm, utilization, nutrition, and consumer use research, plant and animal disease and pest control and eradication activities, and operates the meat inspection service. The Administrator of this Service is also responsible for the coordination of all research of the Department. The Service also carries out emergency programs, when necessary, for the control and eradication of animal diseases, such as foot-and-mouth disease, and for the control of emergency outbreaks of insects and diseases.

Salaries and expenses.—The Committee recommends \$159,764,500 for fiscal year 1963, an increase of \$3,250,000 over appropriations for fiscal year 1962 and a reduction of \$2,461,000 in the budget request.

The Committee approves program increases of \$6,500,000 for the coming year, including \$900,000 for staffing and operating new research laboratories, \$100,000 to develop a process for removing strontium 90 from milk, \$4,500,000 for various plant and animal disease and pest control programs, and \$1,000,000 for meat inspection.

The Committee recommends, however, that half of these increases be financed from existing funds. Since 1954, this appropriation has increased 143 percent, while expenditures for travel, transportation, communications, rents, supplies and equipment have increased an average of 210 percent. A reduction of these "other object" expenses to bring them in line with the rest of the appropriation should provide the balance of funds needed to finance the total increases approved for the coming year.

The additional \$4,500,000 for animal disease and pest control programs includes \$300,000 for additional plant and animal inspection at ports of entry to prevent introduction of diseases and pests from abroad, \$200,000 to increase registration and enforcement under the Federal Insecticide, Fungicide and Rodenticide Act; \$1,500,000 for hog cholera eradication, and \$2,500,000 for screw-worm eradication in the Southwest.

Of the amount provided for hog cholera eradication, \$100,000 should be used to determine more effective methods of identifying and combating the disease. In carrying out the eradication work, the Department should coordinate it as far as possible with similar activities for control of brucellosis and tuberculosis in animals, making use of trained and experienced personnel. The Department is urged to make certain that the indemnities are paid only after compliance with all applicable laws and regulations of both the State and Federal Governments.

As requested, the Committee has eliminated language from the bill which requires the States to match Federal funds for the brucellosis program. The Committee feels, however, that the Department should continue to insist that the States provide at least 40 percent of the funds expended.

The Committee wishes to express again its concern that, though meat has already been officially inspected and passed for wholesomeness, public funds are also being expended for inspecting processed food products which contain portions of such inspected meat. This inspection deals primarily with such things as composition and ingredients of prepared meat products and is of primary value to the trade in the form of "government inspected" labels. The Committee points this up since the cost of meat inspection has increased from \$9 million in 1947 to over \$24 million in 1962, an increase of nearly 170 percent in 15 years. Unless some changes in inspection procedures and coverage are made, the potential cost of meat inspection will soon expand far beyond reason. In this connection, the Department is requested to make a special study to determine to what extent it can certify State meat inspection services and license them to inspect meat which moves in interstate commerce.

Special foreign currency program.—The full budget estimate of \$5,265,000 is recommended for the coming year, the same amount as was provided for fiscal year 1962. No additional employees are provided for.

Overseas research carried out under sections 104(a) and 104(k) of Public Law 480 is financed by foreign currencies in amounts authorized in this bill. It supplements and complements that financed by regular dollar appropriations elsewhere. It is not intended to duplicate or displace other research conducted by the Department or its cooperators.

With funds available for this program, particular attention should be given to dietary utilization research designed to improve the quality of wheat and wheat products for both the domestic and export markets.

Construction of facilities.—The Committee recommends an appropriation of \$760,000 for fiscal year 1963, which is \$40,000 less than was provided for 1962 and is a decrease of \$920,000 in the budget request.

The amount provided includes \$450,000 for the replacement of outmoded poultry research facilities at East Lansing, Michigan, \$150,000 for modernization of three livestock import inspection stations along the Canadian border, and \$160,000 for renovation and improvement of the heating, water, and electrical systems at the Agricultural Research Center at Beltsville.

Due to the need to curtail appropriations and personnel in this bill, no funds have been included for the planning or construction of any new facilities in the next year.

Facilities provided in 1939 at East Lansing, Michigan, for research on avian leukosis, consisting largely of temporary wooden buildings, are wholly inadequate to effectively investigate the disease as it is known today. This disorder continues to be the most destructive disease of poultry in the nation. Annual losses to the poultry industry approximate \$65,000,000.

Between July and December 1961, 408,000 head of livestock were inspected at ports-of-entry along the Canadian border. A major problem at ports-of-entry is the provision of facilities which will permit adequate inspection despite inclement weather. At Portal, North Dakota, where a greater number of animals is being inspected than at any other single port along the Canadian border, the facilities consist of open unprotected stock pens. At Blaine, Washington, and Houlton, Maine, the present facilities are equally inadequate and there is an urgent need for modern facilities. Blaine, Washington, is expected to become a major terminal point for traffic along the Alcan Highway as it becomes more frequently traveled.

Most of the facilities at the Agricultural Research Center were provided 20 or more years ago. The staff at the Center has increased considerably since then. More and more equipment with greater power, water, and heating demands has been installed. Depreciation and obsolescence have taken their toll. As a result there is critical need for modernization and improvement of facilities at that location.

COOPERATIVE STATE EXPERIMENT STATION SERVICE

The Cooperative State Experiment Station Service was established by Secretary's Memorandum No. 1462 dated July 19, 1961, and Supplement 1, dated August 30, 1961, under Reorganization Plan

No. 2 of 1953. The Service carries out (1) administration of the Agricultural Experiment Stations Act of August 11, 1955, (Hatch Act of 1887, as amended, 7 U.S.C. 361a-361i); (2) payments under Section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623) to State agricultural experiment stations; and (3) grants to non-profit institutions for support of basic scientific research under the Act approved September 6, 1958 (42 U.S.C. 1891-1893).

The full budget estimate of \$38,207,000 is provided for this program for fiscal year 1963. The increase of \$2,000,000 over fiscal year 1962 is approved to meet the increasing costs of the research programs of the State institutions, which are going up at a rate of 6 percent per year. Salaries of scientists and supporting personnel are one of the major items of increased cost which must be provided for. No increase in Federal employment is involved.

Through the years the Land-Grant Colleges have played a major role in the nation's total agricultural research effort. The tremendous advances in agricultural technology during the past century are due in large measure to the outstanding research accomplishments of this program. For every dollar of Federal funds appropriated, States and local institutions have provided between three and four dollars of financial support. In addition the Land-Grant Colleges provide the physical plant and assume the major maintenance and administrative costs.

EXTENSION SERVICE

Cooperative agricultural extension work was established by the Act of May 8, 1914, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a). The legislation authorizes the Department of Agriculture to give, through the Land-Grant Colleges, instruction and practical demonstrations in agriculture and home economics and related subjects and to encourage the application of such information by means of demonstrations, publications, and otherwise to persons not attending or resident in the colleges. Extension educational work is also authorized under the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627).

Through the years, the Cooperative Extension Service, in cooperation with the Land-Grant Colleges, has made a significant contribution to the advancement of agriculture throughout the Nation. The county extension agent and other extension personnel are generally recognized as the primary source of information and assistance to the farmer in meeting his farm, home and community problems.

State and county extension work is financed from Federal, State, county and local sources. These funds are used within the States for the employment of county agents, home demonstration agents, 4-H Club agents, State specialists and others who conduct the joint educational programs adapted to local problems and conditions.

Payments to States and Puerto Rico.—The Committee recommends the full budget request of \$60,590,000 for the coming fiscal year. The increase of \$1,000,000 over the 1962 appropriation will be allocated to the States under Section 3(c) of the Smith-Lever Act to meet increased salary costs of personnel engaged in the program. No increase in Federal personnel is involved.

As in previous years, the Committee recommends that these funds be used primarily to maintain competitive salary levels for county

extension agents and home demonstration workers. The increased complexities of present day agriculture make well trained and highly qualified extension personnel more essential than ever.

Retirement costs for extension agents.—The bill includes the full budget estimate of \$6,605,000 for the coming year. The increase over 1962 of \$345,000 is provided to cover the Federal share of retirement costs for the increased funds allowed under the previous heading for salaries of county personnel.

Penalty mail.—The sum of \$2,490,000 is provided for fiscal year 1963, the same as the 1962 appropriation. This item covers penalty mail costs of State extension directors and county extension workers, as authorized by law.

Federal Extension Service.—The Federal Extension Service provides for leadership counsel and assistance to the 50 States and Puerto Rico. As of May 31, 1962, there were 239 employees in this organization, 230 of whom were headquartered in Washington.

The Committee recommends the 1962 appropriation level of \$2,464,500 for the coming fiscal year, a reduction of \$260,000 in the budget estimate. This will keep Federal employment at current levels. The Committee does not object to the employment of additional experts to provide leadership in such areas as 4-H Club programs, farm management, farm housing, and marketing, provided the necessary funds are obtained by not filling other positions as they become vacant.

FARMER COOPERATIVE SERVICE

The Farmer Cooperative Service was established following the enactment of the Farm Credit Act of 1953 (Public Law 202, August 6, 1953), which transferred the research and technical assistance work for farmers' marketing, purchasing and service cooperatives, under the Cooperative Marketing Act of 1926 from the Farm Credit Administration to the Secretary of Agriculture.

The Service conducts research, advisory, and educational work with cooperatives on problems of organization, financing, management policies, merchandising, costs, efficiency, and membership to help farmers who are members of such organizations improve the operations of their businesses. It cooperates with the Extension Service, Land-Grant Colleges, Banks for Cooperatives, State Departments of Agriculture, and other agencies to bring about better understanding and application of sound cooperative principles and practices. It also advises other Federal agencies on problems relating to agricultural cooperatives.

The sum of \$657,000 is provided for fiscal year 1963, a reduction of \$100,000 in the budget estimate. This is the same amount as was provided for 1962, which will permit no increase in personnel. This action does not deny funds for the additional work proposed for 1963. It merely requires that new positions established for these purposes be financed by not filling other positions as they become vacant during the year.

SOIL CONSERVATION SERVICE

The Soil Conservation Service was established by the Act of April 27, 1935 (16 U.S.C. 590a-590f). It assists soil conservation districts and other cooperators, watershed groups, and Federal and State agencies

having related responsibilities in bringing about physical adjustments in land use that will conserve soil and water resources, provide for agricultural production on a sustained basis, and reduce damage by floods and sedimentation. Its major programs are as follows:

Conservation operations: The Service provides technical help to farmers and ranchers in the 50 States, Puerto Rico, and the Virgin Islands in carrying out locally-adapted soil and water conservation programs. As of June 30, 1961, farmers and ranchers had organized 2,900 conservation districts.

Watershed protection: The Service has general responsibility for administration of the watershed protection program of the Department, established by Public Law 566, 83rd Congress, and the development of its guiding principles and procedures.

Flood prevention: The Service has general responsibility for administration of the flood prevention program, and the development of the Department's guiding principles and procedures. The program is conducted in the 11 major watersheds authorized by the Flood Control Act of 1944.

Great Plains Conservation: The Service has general responsibility for administration of the Great Plains conservation program, authorized by P.L. 1021, 84th Congress. This program provides for long-term cost-sharing under contracts with farmers and ranchers in designated counties of the ten Great Plains States.

Conservation operations.—Soil conservation assistance has been provided for 20 new districts organized during the 1962 fiscal year. It is expected that an additional 23 districts will be created during fiscal year 1963, which will bring the total number of districts to 2,943 by June 30, 1963.

The Committee recommends an appropriation of \$90,280,000 for the next fiscal year, an increase of \$644,000 over the 1962 appropriation, and a reduction of \$445,000 in the budget request. This increase will provide additional technicians to provide assistance to the 23 new districts expected to be organized during the coming year. The majority of the members of the Committee feel that this need is much more urgent than those proposed in the budget request.

Watershed protection.—The bill carries the full budget request of \$60,585,000 for the coming fiscal year, an increase of \$6,839,000 over funds provided for 1962.

At the beginning of the fiscal year 1963, it is estimated that installation of works of improvement will be underway in 384 P.L. 566 projects. Another 120 are expected to be approved for operations during the year. It is estimated that about 30 of these will not require funds during the year because of late approval or having no work scheduled. This will leave a total of 474 projects requiring funds. About 198 of these will be receiving advance engineering and technical assistance only, at a cost of \$5,260,000. This involves preparation of plans, designs, and specifications for structural measures and the installation of land treatment measures required before construction starts. The remaining 276 projects will be under construction. An estimated 60 of these will be new construction starts requiring about \$18,200,000 during the year. About 181 projects begun in prior years

will require an estimated \$23,342,000. All work will be completed on an estimated 35 projects during the year at a cost of \$2,000,000 in 1963, making a total of 83 projects which will be completed by the end of the fiscal year 1963.

The amount provided includes \$5,500,000 for investigations and planning. In view of the many requests which have been received for planning of specific watershed projects, the Committee recommends the use of additional funds for these purposes if necessary to meet the urgent demands in many areas.

In addition, the recommended appropriation includes a total of \$2,283,000 for surveys and investigations of water resources. This amount will permit the establishment of 8 additional survey parties in fiscal year 1963 to initiate cooperative surveys in 8 river basins, including the Genesee River in New York; the Elkhorn and Big Blue Rivers in Nebraska; the Meramec River in Missouri; the Poteau River in Oklahoma and Arkansas; the Willamette River in Oregon; Florida West Coast tributaries in Florida; the Ohio River in Pennsylvania, New York, West Virginia, Virginia, Tennessee, Kentucky, Ohio, Indiana, and Illinois; and the Red River in Louisiana, Arkansas, Oklahoma, and Texas.

In order that such studies may serve their maximum usefulness, the resources and talents of the various agencies of the Department, including the Soil Conservation Service, the Economic Research Service, the Farmers Home Administration, and the Forest Service should be utilized under the general direction of the Assistant Secretary for Federal-State Relations. Further, these efforts should be coordinated fully with the work of the Corps of Engineers and other Federal, State, local and private agencies to develop a comprehensive plan which will give full recognition to all economic potentialities as well as economic interests in the areas concerned.

Flood prevention.—For this program, the Committee recommends an appropriation of \$25,000,000 for the next fiscal year, the same amount as was provided for fiscal year 1962. The personnel requirements will also remain the same.

As has been pointed out in previous years, the progress on the 11 major watersheds financed by this appropriation is far behind the program authorized in 1944. It was originally estimated that these projects would be completed in about 15 years. The overall program is still less than half finished some 18 years later. Local sponsors of these projects are meeting their part of the responsibility at increasing rates, and greater progress can be made in the future, provided adequate Federal appropriations are available. In view of constantly rising costs, it is important that these projects be completed at the earliest possible date.

Great Plains conservation program.—The bill includes \$12,000,000 for fiscal year 1963, a decrease of \$1,000,000 in the budget request. The increase of \$1,833,000 over 1962 will provide for 450 cost-sharing contracts in addition to the approximately 1900 covered by the 1962 appropriation.

By December 31, 1960, a total of 365 counties had been designated for assistance under this program. There are 57 remaining counties which may be proposed for designation, of which 8 to 10 are expected in fiscal year 1963.

ECONOMIC RESEARCH SERVICE

The Economic Research Service was established by Secretary's Memorandum No. 1446, Supplement No. 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service develops and carries out a program of economic research designed to benefit farmers and the general public. The findings of this research are made available to farmers and others through research reports and through economic outlook and situation reports on major commodities, the national economy, and the international economy.

An appropriation of \$9,410,000 is recommended for the next fiscal year, the same amount as was provided for 1962 and a decrease of \$1,030,000 in the budget estimate. In view of the need to keep personnel at present levels, no additional funds or personnel are recommended for this agency at the present time.

STATISTICAL REPORTING SERVICE

The Statistical Reporting Service was established by Secretary's Memorandum No. 1446, Supplement 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service was created to give coordinated leadership to the statistical reporting research and service programs of the Department. It provides a channel for the orderly flow of statistical intelligence about the agricultural economy of this country. The primary responsibilities of this Service are the nationwide crop and livestock estimates, coordination and improvement in the Department's statistical requirements, and special surveys of market potentials for agricultural products.

The Committee recommends an appropriation of \$9,518,000 for the next fiscal year, a reduction of \$175,000 in the budget request. The increase of \$760,000 is provided to continue the long-range program for improvement of crop and livestock estimates, including the establishment of quarterly pig crop reports in the midwest and including forecasting services for grapes and lemons in California on a matching basis.

In 1961, \$750,000 was provided to inaugurate a three to four year program to improve the accuracy of crop and livestock estimates. The program was started in 15 Southern and North Central States that year. With an additional \$500,000 appropriated for fiscal year 1962, the program has been extended to five additional Corn Belt States—a total of 20 States. It is hoped that the increase recommended for next year will permit expansion to a total of 24 States, covering most of the cotton and corn producing areas.

AGRICULTURAL MARKETING SERVICE

The Agricultural Marketing Service was established November 2, 1953, under authority of Section 161, Revised Statutes (5 U.S.C. 22), Reorganization Plan No. 2 of 1953, and other authorities. The Service carries on the following principal programs with appropriated funds:

Marketing research and service: These activities contribute to the efficient and orderly marketing of agricultural commodities.

Payments to States: The Service administers the matched fund program for marketing activities carried out through cooperative arrangements by State Departments of Agriculture, Bureaus of Markets, and similar State agencies.

Special milk program: Assistance is provided to States for making reimbursement payments to eligible schools and child-care institutions which inaugurate or expand milk service in order to increase the consumption of fluid milk by children.

School lunch program: Federal assistance is provided to States, Puerto Rico, Virgin Islands, and Guam for use in serving nutritious midday meals to children attending schools of high school grades or under in order to improve the health and well-being of the Nation's children, and broaden the market for agricultural food commodities.

Marketing research and service.—The bill for fiscal year 1963 includes \$38,857,000 for this purpose, a decrease of \$1,628,000 in the budget estimate and an increase of \$587,500 over the 1962 appropriation.

The Committee approves program increases of \$1,175,000 for the coming year, including \$250,000 for market studies and expansion of the market news service, \$165,000 to strengthen supervision of grading under the Grain Standards Act, \$500,000 for increased poultry inspection, \$200,000 for more effective administration of the Packers and Stockyards Act, and \$60,000 for increased inspections of licensed warehouses.

It recommends, however, that half of this increase be financed within existing funds. Since 1954, expenditures for travel have increased at twice the rate of other items covered by this appropriation, from \$898,000 to \$2,633,000. A reduction in travel expenses to bring them in line with other expenditures covered by this appropriation should provide the additional funds needed to finance the total increases approved for the next year.

The increase recommended for market studies and the market news service includes funds for food marketing improvements, modernization of the leased wire service, and extension of market news coverage to areas where States will have matching funds available in the coming year. The need for additional grain marketing news in Illinois and the Western States, for an additional livestock marketing news in North Dakota, and for a study of food marketing facilities in Chicago have been brought to the Committee's attention. In this connection, attention should be given to the possible need to change the reporting base for pork products from Chicago to a point farther west in view of changes in marketing of hogs and movement of hog population.

The United States is competing in a world grain market which is becoming increasingly quality conscious. United States competitors, by emphasizing the quality of grain they deliver, are steadily improving their relative position. Increased surveillance by the Department is imperative if U.S. grain is to continue to meet competition in the world markets. The increase of \$165,000 is provided to assure as far as possible that future U.S. grain exports are of the quality required to preserve our export markets.

Based on trends in recent years, poultry production can be expected to continue to increase. Present estimates are that production in 1963 will be about 17 per cent above 1961. An increase of \$500,000 for the next fiscal year is provided to meet this additional workload.

The additional \$200,000 recommended for administration of the Packers and Stockyards Act is provided for supervision and investigation of operations and business practices of the meat industry. In the use of these funds the Department should give attention to differences in operating practices of markets of different types and sizes, especially the small country yards which must have the right to provide a market for their suppliers by buying the livestock which fails to sell through the regular auction procedures. This and other differences creates special financial and operating problems which require special rules and regulations.

The Committee's attention has been called to some recent instances where convenience of the private business operators is ignored in the simplest investigation. On one occasion, a dealer was required to travel several hundred miles for an interview which could have been conducted much more satisfactorily at his place of business. While close supervision of operations under this Act is necessary, such actions can result in unnecessary harassment and agitation of livestock dealers and others. The Department is requested to insist that personnel engaged in this work keep in mind at all times that they are public servants as well as enforcement agents.

The increase of \$60,000 for warehouse inspections will be applied principally to grain storage facilities. It would make it possible to examine existing licensed grain warehouses more frequently, to respond more promptly to requests for examination of new warehouses coming into the program, and to make special examinations which require immediate attention.

Construction of facilities.—An appropriation of \$1,600,000 was requested for the construction of a peanut marketing research facility at Dawson, Georgia. Subsequent to the submission of the budget estimates for this item, representatives of many of the major peanut production, processing and marketing organizations in the country appeared before the Committee. Apparently wide differences of opinion have developed within the industry as to the need for a centralized research facility and where it should be located. The Committee feels that further action on this request should be deferred until leaders of the peanut industry can come to some agreement on the type of research program needed and the proper location for additional facilities proposed.

Further, it should be noted that approximately \$806,000 is now being spent each year for research on peanuts at 16 Department of Agriculture facilities and 7 State experiment stations. Approximately \$300,000 of this amount is being used for utilization and marketing research, the same general area of research proposed for the new facility. The Department should make certain that existing peanut research facilities are being used fully and effectively before funds for an additional research laboratory are requested.

Payments to States and possessions.—The budget estimate of \$1,325,000 is recommended for fiscal year 1963, the same amount as was appropriated for fiscal year 1962. No expansion of Federal personnel is provided for.

Federal payments, authorized by Section 204(b) of the Agricultural Marketing Act of 1946, are made under cooperative agreements between the U.S. Department of Agriculture, State Departments of Agriculture, Bureau of Markets, and similar State agencies for the

conduct of eligible marketing service activities on a matching fund basis. The States contribute at least half of the costs and perform the work with State personnel. In formulating the 1963 program, consideration should be given to the need to develop grades and standards for Kona coffee in Hawaii.

Special milk program.—The budget estimate of \$105,000,000 is included in the bill for fiscal year 1963. Since its inception in 1955, the special milk program has been financed through advances from Commodity Credit Corporation funds. During this time, the authorization has been amended several times to extend the period, broaden the coverage, and increase the level of funds authorized. P.L. 87-67, enacted June 30, 1961, authorized \$105,000,000 for fiscal year 1962.

The Agricultural Act of 1961 (Public Law 87-128) approved August 8, 1961, changed the financing of the program to a direct appropriation beginning July 1, 1962, and each of the four fiscal years thereafter. This appropriation, which is included as a separate item under this Service for the first time, will provide for continuation of the program in fiscal year 1963 at the same level as was authorized for 1962. There will be a corresponding decrease in the budget for the Commodity Credit Corporation for next year. No additional personnel is required.

School lunch program.—The Committee recommends the full budget request for an appropriation of \$125,000,000, plus a transfer of \$45,000,000 from Section 32 funds for the purchase of meats and other foods needed to provide balanced school lunches. This is a continuation of amounts approved for fiscal year 1962. No change in employment is contemplated.

The sum of \$10,000,000 has been earmarked by language in the bill to provide special commodity assistance to schools in depressed areas serving meals to needy children. The language also authorizes the Secretary to prescribe standards for distribution and administration of such commodities.

The recent change in the formula which bases the distribution of funds to the States on the number of meals served rather than school-age population, should also help to meet the needs in those areas with low income and heavy program participation.

The School Lunch Program has expanded tremendously since its inception in 1947. It is now reaching more than twice the number of children and is serving nearly three times the number of meals, as follows:

	1947	1959	1960	1961	1962 (estimated)
Number of schools.....	44,537	60,682	62,235	63,961	64,000
Number of children (millions).....	6.0	12.1	12.9	13.5	14.4
Number of meals (millions).....	910.9	2,008.7	2,153.0	2,270.4	2,385.5

During this same period, the amount of Federal, State and local funds expended through this program has increased five-fold, as shown by the following table:

[In millions]

	1947	1959	1960	1961	1962 (estimated)
Federal contributions:					
Direct appropriation.....	\$65.6	\$136.5	\$154.8	\$154.8	\$168.0
Donated commodities.....	2.3	66.8	70.9	71.6	111.1
Special milk program.....		72.3	78.1	81.8	101.1
Total, Federal.....	67.9	275.6	303.8	308.2	380.2
State and local contributions:					
Direct appropriation.....	20.6	90.5	92.6	95.0	100.0
Other contributions.....	17.5	113.2	127.5	134.9	150.0
Payments by children.....	112.6	505.1	555.7	594.8	650.0
Total, State and local.....	150.7	708.8	775.8	824.7	900.0
Total program.....	218.6	984.4	1,079.6	1,132.9	1,280.2

As can be seen from the above figures, this program has become an important part of our educational program as well as a major market for the products of agriculture.

FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service promotes the export of U.S. farm products and represents the Department and U.S. agriculture abroad. It conducts foreign market development programs and collects and disseminates to U.S. agriculture the basic information essential to aggressive foreign marketing of U.S. agricultural products and to making necessary adjustments to meet changing situations abroad.

Salaries and expenses.—The bill for the next fiscal year includes a total of \$19,262,000 for this purpose, \$16,145,000 by direct appropriation and \$3,117,000 by transfer from Section 32 funds. This is a net decrease of \$2,579,000 in the budget request for fiscal year 1963, and an increase of \$3,100,000 over funds provided for fiscal year 1962.

The increase recommended includes \$100,000 to strengthen the Department's representation on various interdepartmental trade groups, including GATT (General Agreement on Tariff and Trade) and the European Common Market. It also includes an additional \$3,000,000 to finance market development programs abroad.

Continued success of the U.S. program for expanding agricultural exports depends on ability to cope with protectionist trade policies of other countries. Each year sees more rapid progress in the creation of numerous foreign trading units such as the European Common Market. Expansion of U.S. exports requires increased efforts to obtain liberalization of trade in foreign markets and to keep U.S. agriculture well represented in other countries.

A sizable part of the P.L. 480 market development work abroad is carried out in countries where foreign currencies are no longer available. In these countries, it is necessary to finance market development work through regular funds carried in this appropriation. An additional \$3,000,000 is included here for next year to keep the market development program at the 1962 level of operation. This is neces-

sary, since an unobligated carry over of \$3,554,229 from 1961 into 1962 will not be available in 1963.

Special foreign currency program.—The budget estimate of \$4,000,000 is proposed for next year for market development abroad, an increase of \$1,144,000 over the 1962 appropriation. Dollar funds provided by this appropriation are available for the purchase of foreign currencies generated under Public Law 480 in countries where available balances are in excess of normal United States requirements. The projects proposed to be financed from these funds in fiscal year 1963 will be in nine countries, including Burma, India, Indonesia, Israel, Pakistan, Poland, Egypt, Syria and Yugoslavia. No personnel changes are contemplated.

COMMODITY EXCHANGE AUTHORITY

The Commodity Exchange Authority administers the Commodity Exchange Act of September 21, 1922, as amended. The objectives are to prevent commodity price manipulation and market corners; prevent dissemination of false and misleading crop and market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges and contract markets to cooperative associations of producers; insure trust fund treatment of margin moneys and equities of hedgers and other traders and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The bill carries the full budget request of \$1,022,000 for fiscal year 1963, an increase of \$15,000 over 1962. No increase in personnel is provided for.

The Commodity Exchange Authority is a small agency having an average of only 126 employees and a low rate of personnel turnover. Because of the low personnel turnover the increase of \$15,000 for 1963 is required for mandatory within-grade salary advancements which cannot be met otherwise.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The Agricultural Stabilization and Conservation Service was established by the Secretary of Agriculture on June 5, 1961, under the authority of Reorganization Plan No. 2 of 1953, in accordance with the Reorganization Act of 1949, as amended (5 USC 133z). The Service carries on the following principal programs from appropriated funds:

Acreage allotments and marketing quotas: The Agricultural Adjustment Act of 1938, as amended, authorizes production adjustment for designated basic commodities (tobacco, peanuts, wheat, cotton and rice) through acreage allotments, and the adjustment of supplies through marketing quotas when supplies reach specified levels in relation to normal demand.

Sugar act program: The chief objective of the Sugar Act of 1948, as amended, is "to protect the welfare of consumers of

sugars and those engaged in the domestic sugar-producing industry." This involves (a) determination of U.S. consumption requirements; (b) administration of quotas to regulate imports of sugar produced in foreign areas, as well as marketing of sugar produced in domestic areas; and (c) payments to domestic producers of sugar beets and sugar cane, provided producers comply with certain labor, wage, price, and marketing requirements prescribed by law.

Agricultural conservation program: This program is authorized by the provisions of section 7 to 16(a), inclusive, and section 17 of the Soil Conservation and domestic Allotment Act, as amended. Its objectives include (1) restoring and improving soil fertility, (2) reducing erosion caused by wind and water, and (3) conserving water on land. Cost-sharing assistance is furnished to individual farmers and ranchers in the 50 States, Puerto Rico and the Virgin Islands for carrying out approved soil-building and soil- and water-conserving practices on their farms. This assistance represents only a part of the cost of performing the practice. The farmer bears the balance of the cost, and in addition supplies labor and management necessary to carry out the practice.

Special agricultural conservation and adjustment programs: Public Law 87-5 authorized a special agricultural conservation program for the 1961 crop of corn and grain sorghums. The Agricultural Act of 1961 continues the program for 1962 and broadens it to include barley. In addition, the Act provides a special program for the 1962 crop of wheat. The chief objectives of these programs are to (1) increase farm income, (2) prevent further buildup of surplus stocks and, if possible, reduce such stocks, and (3) reduce program costs of price support activities.

Acreage allotments and marketing quotas.—An appropriation of \$44,098,000 is included in the bill for fiscal year 1963, the same amount as was provided for fiscal year 1962. Personnel will remain at present levels.

Acreage allotment and marketing quota programs have been announced for the 1962 crops of flue-cured tobacco, peanuts, wheat, upland cotton, extra long staple cotton, and rice. Quotas were proclaimed on February 1, 1962, for burley, fire-cured, dark air cured, Virginia sun-cured, cigar binder, cigar filler and binder, and Maryland tobaccos.

The Agricultural Act of 1961 provides for a mandatory reduction of 10 percent in individual farm allotments for the 1962 crop of wheat. The Act also provides for payments to producers who increase their acreage of soil-conserving crops by a definite minimum amount. In addition to the mandatory 10 percent reduction, producers may divert additional wheat acreage to soil-conserving uses.

Sugar act program.—The Committee recommends the full budget estimate of \$80,000,000 for the next year. No personnel changes are involved. The increase of \$2,000,000 over 1962 is provided to meet increased payments to domestic producers due to an estimated increased production in 1962. Total sugar production from the 1962

crops in the domestic areas is estimated at 6,115,000 short tons, an increase of 567,000 tons over 1961 production, as follows:

[In thousands]

Area	1961 crop	1962 crop	Increase
Beet area.....	2,525	2,800	275
Mainland cane area.....	766	900	134
Hawaii.....	1,090	1,200	110
Puerto Rico.....	1,150	1,200	50
Virgin Islands.....	17	15	-2
Total.....	5,548	6,115	567

Payments are made to domestic producers of sugarbeets and sugar cane who comply with certain special requirements. To finance these payments, a tax of 50 cents per hundred pounds is imposed on all beet and cane sugar processed in or imported into the United States for direct consumption. During the period 1938-1961, collections of \$2,226 million from excise taxes and imports have exceeded payments under the program by \$448.2 million.

Agricultural conservation program.—An appropriation of \$242,000,000 is recommended for fiscal year 1963 to make payments earned under the program authorized in the 1962 appropriation act. This is an increase of \$4,000,000 over the funds appropriated in fiscal year 1962 to finance the 1961 program. This does not provide for any personnel increases.

The Committee also restored the 1963 program authorization contained in this bill to the usual \$250 million operating level. In six of the past nine years, the Congress has been called upon to restore budget cuts proposed in this authorization.

Through the years, the agricultural conservation program has been the Federal Government's principal economic stimulus to farmers and ranchers to voluntarily apply needed conservation measures. It has stimulated twice as much economic activity as the amount of Federal funds spent, since the farmer puts up about half the cost of practices, plus his labor.

Conservation practices were carried out under this program in 1961 on over a million farms and ranches, covering nearly 400 million acres. The program has over 1 million participants each year, which represents nearly 25 percent of all farming units in the United States. The per capita annual cost is about \$1.50 and the investment per acre of farmland is 54 cents.

Conservation reserve program.—An appropriation of \$300,000,000 is proposed for next year to pay off obligations incurred under 1960 and prior year conservation reserve contracts. This is \$12,000,000 below the 1962 appropriation and \$23,000,000 below the budget request. A small decrease in employment is contemplated.

Past experience indicates that actual fund requirements for this program are usually less than amounts projected in the annual budget requests. For example, expenditures for 1962 were \$13 million less than the original estimates. Further, this program is beginning to decrease in size as shorter term contracts expire.

It is recognized that the Government is obligated to meet its commitments under these contracts. Additional funds can be provided if and when they become necessary.

Special agricultural conservation and adjustment programs.—Public Law 87-5, approved March 22, 1961, authorized a special agricultural conservation program for the 1961 crop of corn and grain sorghums. The Agricultural Act of 1961, Public Law 87-128, approved August 8, 1961, continued the program for the 1962 crop of these commodities and broadened the program to include barley. The Act also provided for a special program on the 1962 crop of wheat contingent upon the approval of marketing quotas for the 1962 crop of wheat. Marketing quotas were approved in a referendum held August 24, 1961.

This appropriation provides funds for administering the program, including performance checking, computing advance and final payments to producers, and handling violations involving failure to meet conservation requirements.

The bill includes an appropriation of \$15,000,000 for this purpose in the coming fiscal year. This is a reduction of \$3,500,000 in the budget request and the 1962 operating level. This reduction, together with discontinuance of CCC financing, will result in a net decrease of 226 positions. Future personnel requirements will depend on the nature of legislation in effect for the 1963 crop year.

OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel, originally known as the Office of the Solicitor, was established in 1910 (5 U.S.C. 518) as the law office of the Department of Agriculture, and performs all of the legal work arising from the activities of the Department. The General Counsel represents the Department in administrative proceedings for the promulgation of rules having the force and effect of law; in quasi-judicial hearings held in connection with the administration of various programs and acts; and in proceedings before the Interstate Commerce Commission involving freight rates and practices relating to farm commodities, including appeals from the decisions of the Commission to the courts. He serves as general counsel for the Commodity Credit Corporation and the Federal Crop Insurance Corporation. He reviews criminal cases arising under the programs of the Department for referral to the Department of Justice.

The Committee recommends \$3,645,000 for the next fiscal year, a decrease of \$155,000 in the budget request. This amount will permit continuation of the 1962 level of operation with no change in personnel requirements.

OFFICE OF INFORMATION

The Office of Information was established under its present name in 1925 as a consolidation of functions formally organized as early as 1889, to coordinate in the Department the dissemination of information useful to agriculture as directed by the Act establishing the Department of Agriculture in 1862.

The Office has general direction and supervision of all publications and other information policies and activities of the Department including the final review, illustrating, printing and distribution of publications; clearance and release of press, radio, television, and magazine materials; maintenance of central files of news and general illustration-type photographs; and the preparation and distribution of exhibits and motion pictures. The Office publishes the Yearbook of Agriculture, the annual report of the Secretary of Agriculture, the Department Directory, and the Department List of Publications;

handles the details of distributing farmers' bulletins allotted to Members of Congress; and services letter and telephone requests for general information received in the Department. Under the Department's working capital fund, the Office also produces visual informational materials, such as motion pictures, art and graphics materials, and still photographic work for the Department and other Government agencies.

The full budget estimate of \$1,610,000 is included in the bill for the next fiscal year, an increase of \$19,500 over 1962. The increase is provided for two non-recurring items of equipment needed to modernize the filing system and mailing lists and to increase radio tape duplication to meet the demand from radio stations throughout the country. No additional personnel is involved.

NATIONAL AGRICULTURAL LIBRARY

The Library, pursuant to the Department's Organic Act of 1862, and under delegation from the Secretary, "procures and preserves all information concerning agriculture which can be obtained by means of books * * *." Under the Act establishing the Department, the Library also serves as the National Agricultural Library.

The Library makes available to the research workers of the Department and the State agricultural colleges, as well as to the general public, the agricultural knowledge of the world that is contained in published literature. The Library collects current and historical published material and organizes it for maximum service to the Department and to the public through reference services, loans of publications, bibliographical services, and photo-reproductions of library material. It issues a monthly Bibliography of Agriculture in which is listed the agricultural literature of the world. The book collection approximates 1,186,000 volumes.

The 1962 appropriation of \$1,028,500 is proposed again for fiscal year 1963, a decrease of \$191,500 in the budget request. The Library has received increases in each of the past three years, which should meet its needs for the present. No additional personnel is provided for.

GENERAL ADMINISTRATION

The Secretary of Agriculture, assisted by the Under Secretary, the Assistant Secretaries, and members of their immediate staff, directs and coordinates the work of the Department; formulates and develops policy; maintains relationships with agricultural organizations and others in the development of farm programs; and maintains liaison with the Executive Office of the President and members of Congress on all matters pertaining to legislation and policy to insure effective performance of the agricultural programs of the Department.

The following activities are also included under General Administration:

Rural areas development program activities are carried out by the Office of Rural Areas Development which was established by the Secretary of Agriculture's Memorandum 1448 of June 16, 1961.

Personnel administration and service is carried on by the Office of

Personnel, the staff agency with responsibility for the personnel management program of the Department.

Budgetary and financial administration and service is carried on by the Office of Budget and Finance, the staff agency with responsibility for functions relating to overall administration of the budgetary, fiscal, and related affairs of the Department.

General operations are carried on by the Office of Plant and Operations, a staff agency exercising general staff management direction of the housing of the Department's activities; the leasing of commercial space and management of real property; procurement activities; purchasing, warehousing, utilization and disposal of administrative and operating supplies and equipment.

Management appraisal and systems development functions are carried out by the Office of Management Appraisal and Systems Development which was established by Secretary's Memorandum No. 1477 of December 8, 1961. The Office is responsible for the general direction, leadership, and coordination in the Department of management appraisals, systems design, automatic data processing, operations research, and related management techniques.

Regulatory hearings and decisions include the work of the Office of Hearing Examiners and of the Judicial Officer. The Hearing Examiners carry out the provisions of the Administrative Procedure Act relating to the holding of hearings (5 U.S.C. 1006, 1010). Hearings are held in connection with prescribing of new regulations and orders, and on disciplinary complaints filed by the Department, or on petitions filed by private parties asking relief from some action of the Department.

The National Agricultural Advisory Commission was established pursuant to Executive Order 10472, approved July 20, 1953, amended by Executive Order 10937, approved May 3, 1961. In its advisory functions, the Commission is concerned with the broad fields of agricultural policy and administration, both as they affect the U.S. farmer and the national economy.

The Committee proposes an appropriation of \$3,506,000 for fiscal year 1963, an increase of \$410,000 over 1962 and a reduction of \$192,000 in the budget request.

The increase will provide \$110,000 for additional assistance to the Secretary, Under Secretary, and Assistant Secretaries. The Committee believes that sufficient skilled personnel should be provided at the top level to manage an enterprise with the scope and responsibility of the Department of Agriculture. An increase of \$50,000 is included to permit more comprehensive and detailed examination and control of budgets and financial programs and an additional \$250,000 is recommended to create an audit unit directly under the Secretary to conduct special audits and investigations of all programs and activities of the Department.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration was established by Executive Order 7037 of May 11, 1935, to make loans for extension of central station electric service to unserved rural people. It was continued by the Rural Electrification Act of May 20, 1936, and became part of the Department of Agriculture on July 1, 1939, under Reorganization Plan II. On October 28, 1949, Public Law 423 amended the Act to authorize loans for furnishing and improving rural telephone service.

Electric and telephone construction loans are self-liquidating within a period not to exceed 35 years at 2 per cent interest.

Loan Authorizations.—The original 1963 budget proposed \$345,000,000 for electrification loans and \$135,000,000 for telephone loans. This was amended by House Doc. No. 447, dated June 25, 1962, to increase electrification loans to \$400,000,000 and reduce telephone loans to \$80,000,000 due to a change in volume of loan applications for the two programs.

The Committee has included these amended amounts in the bill for fiscal year 1963. However, it has placed \$100,000,000 of the amount for electrification loans in a contingency reserve, in accord with the practice followed for a number of years, for the use of both programs.

The repayment record of REA continues to be excellent. Since the inception of the program in 1935, loans approved have totaled over \$4.5 billion and loans advanced have reached nearly \$4 billion. As of last June 30, \$875 million of principal and \$422 million of interest had been repaid on these loans. Over \$176 million had been repaid ahead of schedule. Only one out of 1091 REA borrowers was behind schedule at the end of 1961 and less than \$95,000 of repayments was overdue more than 30 days.

In last year's report, the Committee urged the Department to establish standards to be used to determine what should be regarded as adequate reserves in considering applications for additional loans. This request was made in response to criticism of the use of such financial reserves by REA Cooperatives. In response a bulletin was issued on February 12, 1962, defining and establishing standards and criteria for this purpose. The Committee believes this is a fine step forward and will benefit REA in years to come.

Testimony presented in support of the 1963 budget request indicates that a larger part is requested for generation and transmission loans next year. In this connection, the Committee urges that standards and criteria be developed for use in considering and approving such loans, to make certain that they are essential under the requirements of the law.

Salaries and expenses.—The 1962 appropriation amount of \$10,024,000 is recommended again for fiscal year 1963. This is a reduction of \$300,000 in the budget estimate.

The Committee believes that this well established organization of nearly 1,000 people should be able to meet its expected workload next year with existing funds and personnel.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration, established November 1, 1946, conducts the following activities:

Makes direct and insured farm ownership loans to farmers and ranchers for acquiring, enlarging, or improving farms, including farm buildings, land development, use and conservation, refinancing indebtedness, and for loan closing costs. Loans are repayable in not more than 40 years and bear interest not in excess of 5 percent. Insured loans are made with funds advanced by private lenders and payments of principal and interest are fully guaranteed. Lenders can receive up to $4\frac{1}{2}$ per cent interest of the maximum 5 per cent paid by the borrower. The Government retains at least one-half of one percent of the interest as an insurance premium.

Makes direct and insured soil and water conservation loans to farmers and ranchers and to associations for the effective development and utilization of water supplies and for the improvement of farm land by soil and water conserving facilities and practices. Loans are repayable in not more than 40 years and bear interest not in excess of 5 per cent. Insured loans are made on the same basis as applicable to farm ownership insured loans.

Makes direct operating loans to farmers and ranchers for paying costs incident to reorganizing a farming system for more profitable operations, for a variety of essential farm operating expenses such as purchase of livestock, farm equipment, feed, seed, fertilizer and farm supplies, for financing land and water development, use and conservation, for refinancing indebtedness, for other farm and home needs, and for loan closing costs. Loans bear interest at 5 per cent and may be made for periods up to 7 years, but may be renewed for not more than 5 additional years.

Makes direct emergency loans in designated areas where a natural disaster has caused a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources, including the Farmers Home Administration. Emergency loans bear interest not in excess of 3 per cent and are repayable not later than provided for the regular loans made by the Farmers Home Administration for similar purposes.

Makes rural housing loans and grants for building purposes pursuant to title V of the Housing Act of 1949, as amended, to farm owners, to owners of other real estate in rural areas, and to long-term farm leaseholders to construct, improve, alter, repair, or replace dwellings and essential farm service buildings. Direct farm enlargement and development loans, along with building loans, are also made to farm owners on potentially adequate farms who need to develop their farms so as to increase their income sufficiently to repay the loans. Loans are repayable in not more than 33 years and bear interest at 4 per cent.

Makes watershed and flood prevention loans from funds appropriated under "Watershed protection, Soil Conservation Service" and under "Flood prevention, Soil Conservation Service." Such loans are made to local organizations for installing, repairing or improving works of improvement and water storage facilities, purchasing sites or rights-of-way and for related costs. Loans are repayable in not

more than 50 years at an interest rate based on specified outstanding obligations of the Treasury.

Rural housing grants and loans.—The 1963 Budget proposed a total program of \$85,000,000 for this purpose next year. Of this amount, \$75,000,000 for building loans is to be financed from funds made available (through the backdoor) in the Housing Act of 1949, as amended. The balance of \$10,000,000 is requested as a direct appropriation to finance a new program approved last year, including \$9,500,000 for enlargement and development loans and \$500,000 for repair and improvement grants.

At the time of his appearance before the Committee on the 1963 Budget, the Administrator of the Farmers Home Administration stated that only one loan had been made under this new loan program. The Committee has eliminated the appropriation for next year, since sufficient money will be available during the next fiscal year from unused 1962 funds.

Direct loan account.—Pursuant to the Consolidated Farmers Home Administration Act of 1961, a direct loan account was established in fiscal year 1962. Collections of principal and interest on loans outstanding were deposited in the direct loan account and are available for principal and interest payments on borrowings from the Secretary of the Treasury and for making additional loans for (a) farm ownership, (b) soil and water conservation, and (c) operating purposes. Such loans may be made only in such amounts as may be authorized in annual appropriation acts.

As of the end of fiscal year 1962, the account had a balance of \$245 million. Collections during the next year of \$275 million will make a total of \$520 million available for the year.

The bill includes authority to use up to \$325 million of this amount for loans, \$40 million for farm ownership loans, \$10 million for soil and water conservation loans, and \$275 million for operating loans. These are the same amounts as provided for fiscal year 1962 for farm ownership and operating loans. The amount for soil and water conservation loans is \$1 million less than 1962.

Salaries and expenses.—The bill for the next year includes a total of \$35,432,000 for the administrative expenses of this agency, \$34,382,000 of which is provided by direct appropriation and \$1,050,000 is provided as a transfer from the agricultural credit insurance fund. This is the same amount as was provided for fiscal year 1962 and is a reduction of \$618,000 in the appropriation request.

The Farmers Home Administration has 1,475 county offices serving all agricultural counties. As of May, 1961 it had 4,987 full-time employees, plus 5,164 State and county committeemen on a part-time basis. It seems reasonable to believe that this large agency can meet its responsibilities in the next year with existing funds and personnel.

TITLE III—CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION

The Federal Crop Insurance Corporation is a wholly owned Government corporation created February 16, 1938, (7 U.S.C. 1501) to carry out the Federal Crop Insurance Act. Its purpose is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The Committee recommends a total of \$9,879,000 for the operating and administrative expenses for the fiscal year 1963, \$6,549,000 by direct appropriation and \$3,330,000 from premium income. This is an increase of \$500,000 over funds provided for fiscal year 1962 and is a net reduction of \$451,000 in the budget request. No additional personnel are allowed since it is expected that new contracts will be written by private agencies on a commission basis.

The 1963 appropriation contemplates the continuation of the Corporation's current policy of more rapid expansion of the crop insurance program. Beginning in 1962 the rate of expansion was accelerated. 100 new countries were included in the program, and insurance was offered on additional crops in many old countries. For 1963, insurance will again be offered in 100 new countries, the maximum permitted by law, and insurance on additional crops will be offered in 100 to 150 of the 1962 insurance counties.

The program will operate in 999 counties in the next year, furnishing insurance coverage of approximately \$343 million on barley, beans, citrus, combined crops, corn, cotton, flax, grain sorghum, oats, peaches, peanuts, raisins, rice, soybeans, tobacco, and wheat. It is estimated that 370,000 crops will be insured for the 1962 crop year, as compared to 320,292 for the 1961 crop year.

COMMODITY CREDIT CORPORATION

The Corporation was organized October 17, 1933, under the laws of the State of Delaware, as an agency of the United States, and was managed and operated in close affiliation with the Reconstruction Finance Corporation. On July 1, 1939, it was transferred to the Department of Agriculture by the President's Reorganization Plan I. On July 1, 1948, it was established as an agency and instrumentality of the United States under a permanent Federal charter by Public Law 80-806, as amended. Its operations are conducted pursuant to this charter and other specific legislation.

The Commodity Credit Corporation engages in buying, selling, lending and other activities with respect to agricultural commodities, their products, food, feeds and fibers. Its purposes include stabilizing, supporting, and protecting farm income and prices; assisting in the

maintenance of balanced and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation is managed by a board of directors appointed by the President and confirmed by the Senate, subject to the general supervision and direction of the Secretary of Agriculture, who is, ex officio, a director and chairman of the board. In addition, it has a bipartisan advisory board of five members appointed by the President to survey the general policies of the Corporation and advise the Secretary with respect thereto.

Personnel and facilities of the Agricultural Stabilization and Conservation Service, ASC State and County Committees, and other USDA agencies are used to carry out Corporation activities.

The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion. Funds are borrowed from the Federal Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by lending agencies or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1939 (15 U.S.C. 713a-4).

The budget is based on the following types of programs: (1) price support, (2) commodity export, (3) storage facilities, (4) supply and foreign purchase, (5) special agricultural conservation program for feed grains, (6) wheat stabilization program, and (7) special activities.

Reimbursement for net realized losses.—An appropriation of \$2,278,455,000 is included in the bill to restore capital impairment of the Corporation for the fiscal year 1961—through June 30, 1961. This amount includes \$2,066,955,000 for net realized losses, on price support activities in 1961, plus \$211,500,000 to reimburse a part of realized losses due to revaluation of inventory to reflect acquisition value.

It has been Commodity Credit Corporation's practice for a number of years to treat as additions to the book value of commodity inventories the costs incurred for storage, handling and transportation of such inventories. This procedure was designed to show the full accumulated costs of the commodity inventories held by the Corporation. In recent years the book values of these inventories have increased to such large totals that there has been considerable misunderstanding as to the true value of Commodity Credit Corporation's price-support inventories.

To reflect inventory values on a more realistic basis and to provide for current recognition of carrying charges as program costs, the Corporation adopted last year the policy of recording inventory carrying charges as expenses. Accordingly, it has adjusted the book values of inventories as of June 30, 1961, to the acquisition cost of the commodities on hand.

The sum of \$211,500,000 is included in the 1963 appropriation to restore to the Corporation's operating funds over a six year period the \$1,269 million involved in the inventory adjustment described in the preceding paragraph. The budget proposed restoration in three years.

The balance of the appropriation, \$2,066,955,000, represents price support costs, exclusive of the inventory revaluation. A comparison of the major elements of this cost for fiscal year 1960 (for which the 1962 appropriation was provided) and for fiscal year 1961 (for which the 1963 appropriation is proposed) is as follows:

[In thousands]

	1960	1961
Storage and handling.....	\$298, 734	\$407, 838
Transportation.....	80, 000	160, 000
Interest expenses.....	413, 355	354, 007
Administrative and related expense.....	65, 280	92, 314
Special milk program.....	81, 181	—374
Payments to non-farm groups.....	938, 550	1, 013, 785
Price support operations.....	673, 558	1, 053, 170
Total costs.....	1, 612, 108	2, 066, 955

It is interesting to note that in 1960 over 58 per cent of all expenditures under this program went to groups other than farm producers—to whom the full cost of the program is frequently charged in the public mind. In 1961, the ratio is approximately fifty-fifty. However, the 1961 figure includes \$333 million for payments under the 1961 feed grain program, which are not a part of the regular price support program. If this amount is excluded from the 1961 figures, payments to non-farm groups also exceeds 58 per cent of the total in 1961.

Reimbursement for costs of special milk program.—Up to and including the fiscal year 1960 program, the Commodity Credit Corporation included in its annual appropriation for reimbursement of net realized losses the costs of the special milk program. Public Law 86-446, approved April 29, 1960, provided that the Corporation be reimbursed for advances under this program during the fiscal year 1961 by an appropriation separate from any other appropriation or fund available to the Corporation. This separate appropriation was included in the Department of Agriculture and Related Agencies Appropriation Act, 1962, in the amount of \$90,000,000.

The Agricultural Act of 1961 (Public Law 87-128), approved August 8, 1961, provides for direct appropriations for the fiscal year 1962, and for each of the four fiscal years thereafter. To reimburse the Corporation for the cost of this program for fiscal year 1962, the bill for next year carries this appropriation of \$105,000,000, which is the full budget estimate and is an increase of \$15,000,000 over the 1962 appropriation.

For fiscal year 1963 and thereafter, it is proposed to appropriate funds in the regular manner under the Agricultural Marketing Service, which administers this program.

Administrative expenses.—The Committee recommends \$47,116,000 for the next year for administrative expenses of the Corporation. This is \$800,000 less than was provided for fiscal year 1962 and is \$884,000 less than the budget request. Of this reduction, \$800,000 is due to transfer of administrative costs of the special milk program to the direct appropriation requested for fiscal year 1963 under the Agricultural Marketing Service. A reduction of 31 positions is expected during the next year.

House Document No. 477, which transmitted several budget amendments to Congress on June 25, 1962, included a proposal for the Department of Agriculture to institute an emergency food reserve program, using CCC commodities and CCC and Section 32 funds. The Committee does not feel that such a program should be financed from funds available to the Department.

TITLE IV—FOREIGN ASSISTANCE PROGRAMS

A number of statutes provide for the facilities of the Commodity Credit Corporation to be used in carrying out programs for the exportation of surplus agricultural commodities and authorize appropriations to reimburse the Corporation for costs incurred in connection with such programs.

Prior to fiscal year 1962, the Corporation was reimbursed for the costs of these activities by appropriations subsequent to incurrence of the costs. Beginning in the fiscal year 1962, the Congress added funds to place these activities on a "pay-as-you-go" basis, appropriating for estimated costs in fiscal year 1962. This year's bill includes funds for fiscal year 1963. Subsequent bills will include funds for each ensuing fiscal year on the same basis as for other programs of the Department. No personnel increases are included in any of these appropriations.

Foreign assistance programs are currently being carried out pursuant to the following specific authorizations:

Public Law 480 (Agricultural Trade Development and Assistance Act—7 U.S.C. 1701-1736):

Sales of surplus agricultural commodities for foreign currencies: Under Title I of the Act, surplus agricultural commodities are sold for foreign currencies. Within certain limitations, these currencies may then be used by the United States Government for agricultural market development, purchase of strategic materials, military equipment facilities and services for the common defense, payment of U.S. obligations, military housing, and other specified purposes. Appropriations are authorized to reimburse the Corporation for its net costs in carrying out this program. Through December 31, 1961, a total of \$11.25 billion was so authorized.

Commodities disposed of for emergency famine relief to friendly peoples: Under title II, the Commodity Credit Corporation makes its surplus stocks of agricultural commodities available for famine relief and other assistance to friendly nations and friendly peoples in meeting famine or other relief requirements and to pay ocean freight charges for the shipment of donated commodities.

Appropriations are authorized to reimburse the Corporation for its costs in carrying out the program. Through December 31, 1959, a total of \$800 million was authorized. From January 1, 1960, \$300 million per calendar year was authorized through December 1, 1961, plus unused balances of the previous authorization, making a total of \$1.4 billion.

Long-term supply contracts: Under title IV the President is authorized to make agreements with friendly nations under which the United States could deliver surplus agricultural commodities.

over periods of up to 10 years and accept payment in dollars with interest over periods of up to 20 years.

International Wheat Agreement (7 U.S.C. 1641-1642): The Act, which was renewed for a period of 3 years effective August 1, 1959, operates to provide an assured market for wheat to exporting countries at stable and equitable prices. The maximum and minimum prices in the 1959 agreement are \$1.90 and \$1.50 per bushel, respectively, for the basic grade of wheat, No. 1, Manitoba Northern, at Fort William/Port Arthur, Canada, in terms of Canadian currency at the parity for the Canadian dollar determined for the purposes of the International Monetary Fund as of arMch, 1949. The total quantity represents about 36% of the world trade in wheat.

The Commodity Credit Corporation makes available wheat or wheat flour to carry out the provisions of the agreement, including the payment-in-kind to the exporter for the difference between the prevailing sales price of wheat under the agreement and the market price. A cash payment for this differential is made for flour.

Bartered materials for supplemental stockpile: Under title II of the Agricultural Act of 1956 (7 U.S.C. 1856), the Commodity Credit Corporation transfers to the supplemental stockpile strategic and other materials acquired as a result of barter and exchange of agricultural commodities, other than those acquired for the national stockpile or for other purposes. Appropriations are authorized for the value of materials transferred at the lower of cost or market value at the time of the transfer.

The appropriations requested and included in the bill for next year are as follows:

	1963 Budget request	Recommended in bill	Reduction
Public Law 480:			
Sales for foreign currencies.....	\$1,293,000,000	\$1,080,632,000	-\$212,368,000
Emergency famine relief.....	364,000,000	250,000,000	-114,000,000
Long-term supply contracts.....	90,000,000	40,000,000	-50,000,000
Total, Public Law 480.....	1,747,000,000	1,370,632,000	-376,368,000
International Wheat Agreement.....	96,868,000	81,218,000	-15,650,000
Bartered materials for supplemental stockpile.....	343,067,000	125,000,000	-218,067,000
Total.....	2,186,935,000	1,576,850,000	-610,085,000

The amounts provided for the Public Law 480 programs are believed to be adequate to meet the needs of these programs in fiscal year 1963. The \$1,080,632,000 recommended for sales for foreign currencies is the exact amount estimated to be needed for next year's operations. The \$212,368,000 eliminated from the bill is the amount included for prior year expenditures which the Committee has not allowed. As pointed out last year when these programs were put on a "pay-as-you-go" basis, the amounts appropriated each year should serve as general guides in the conduct of these programs.

The appropriation of \$81,218,000 for the International Wheat Agreement will cover estimated costs for the full fiscal year 1963. The reduction of \$15,650,000 is based on the same factors as discussed in the preceding paragraph for Public Law 480 programs.

For the bartered materials program, the Committee recommends the same amount as was provided for fiscal year 1962, a reduction of

\$218,067,000. The need for the materials acquired under this program is diminishing. Only a few of the items acquired in 1961 are still needed for defense stockpiling purposes. The Committee feels, therefore, that this program should be held to the present level for the next year and the overall program should be thoroughly reviewed for the future.

TITLE V—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

Limitation on administrative expenses.—The Administration supervises, examines, and provides facilities and services to a coordinated system of Farm Credit banks and associations making loans to farmers and their cooperatives. Services and facilities furnished by the Administration facilitate the operations of the several agencies and their progress toward farmer ownership. Typical services are: custody of collateral for bonds and debentures, assistance in financing and investments, credit analysis, development of land appraisal standards and policies, preparation of reports and budgets, and preparation and distribution of information on farm credit. All expenses of these activities are paid by assessments collected from the banks and associations of the Farm Credit System.

Since December 4, 1953, the Administration has been an independent agency under the direction of a Federal Farm Credit Board (12 U.S.C. 636). The Administration, originally created by Executive Order No. 6084 on May 27, 1933, was transferred to the Department of Agriculture on July 1, 1939, by Reorganization Plan No. 1.

On December 31, 1961, the Administration had 222 full-time employees of whom 105 were in Washington. The 117 field employees are farm loan registrars, reviewing appraisers, and farm credit examiners.

The full budget limitation of \$2,565,000 is provided for fiscal year 1963, a reduction of \$25,000 below the limitation established for 1962. A decrease of three man years of employment is proposed for next year.

TITLE VI—GENERAL PROVISIONS

The general provisions contained in the accompanying bill for fiscal year 1963 are essentially the same as those included in previous appropriation bills.

Section 601 authorizes the purchase of 476 passenger motor vehicles next year. This will permit the replacement of 443 wornout vehicles. It will also cover the purchase of 33 new cars, 12 for additional plant pest control activities, 2 for watershed research work, 3 for enforcement of the Packers and Stockyards Act, and 16 for additional river basin surveys.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations not heretofore carried in any appropriation act are included in the bill:

On page 2, in connection with the Agricultural Research Service:

and for acquisition of sites therefor by donation, exchange, or purchase at a nominal cost not to exceed \$100,

On page 15, in connection with the School Lunch Program:

for the purpose of providing additional assistance based on program participation and needs in the States as may be necessary to aid in meeting the nutritional and other requirements of section 9 of the Act, not to exceed \$10,000,000 of this appropriation shall be available for commodity assistance under section 6 of the Act, in addition to amounts normally expended for commodity procurement under that section, under such regulations as the Secretary may prescribe.

On page 24, in connection with General Administration:

Provided further, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

PERMANENT APPROPRIATIONS

Item	Appropriations, 1962	Budget estimates, 1963	Increase or decrease
Agricultural Marketing Service:			
Perishable Agricultural Commodities Act fund-----	\$693, 210	\$693, 210	-----
Removal of surplus agricultural commodities (sec. 32)-----	325, 826, 750	324, 000, 000	-\$1, 826, 750
Total, Agricultural Marketing Service-----	326, 519, 960	324, 693, 210	-\$1, 826, 750
Commodity Stabilization Service: National Wool Act-----	75, 277, 593	65, 000, 000	-10, 277, 593
Total, permanent appropriations-----	401, 797, 553	389, 693, 210	-12, 104, 343

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1962 AND ESTIMATES AND AMOUNTS RECOMMENDED
IN BILL FOR 1963

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in bill for 1963	Bill compared with—	
				1962 appropriations	1963 estimates
TITLE I—GENERAL ACTIVITIES					
Agricultural Research Service:					
Salaries and expenses:					
Research-----	\$76, 973, 000	¹ \$78, 082, 000	\$77, 473, 000	+\$500, 000	—\$609, 000
Plant and animal disease and pest control-----	55, 330, 500	58, 902, 500	² 57, 580, 500	+2, 250, 000	—1, 322, 000
Meat inspection-----	24, 211, 000	25, 241, 000	24, 711, 000	+500, 000	—530, 000
Total-----	156, 514, 500	162, 225, 500	159, 764, 500	+3, 250, 000	—2, 461, 000
Salaries and expenses (special foreign currency program)-----	5, 265, 000	5, 265, 000	5, 265, 000	-----	-----
Construction of facilities-----	800, 000	1, 680, 000	760, 000	—40, 000	—920, 000
Total, Agricultural Research Service-	162, 579, 500	169, 170, 500	165, 789, 500	+3, 210, 000	—3, 381, 000
Cooperative State Experiment Station Service: Payments and expenses-----	36, 207, 000	38, 207, 000	38, 207, 000	+2, 000, 000	-----

¹ Includes \$100,000 increase contained in H. Doc. 447 for research on strontium 90 in milk.

² Includes \$2,500,000 for screwworm eradication for which estimate carried in Second Supplemental Appropriation Bill, 1962.

Comparative statement of appropriations for 1962 and estimates and amounts recommended in bill for 1963—Continued

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in bill for 1963	Bill compared with—	
				1962 appropriations	1963 estimates
TITLE I—GENERAL ACTIVITIES— Continued					
Extension Service:					
Payments to States and Puerto Rico----	\$59,590,000	\$60,590,000	\$60,590,000	+\$1,000,000	-----
Retirement costs for extension agents----	6,260,000	6,605,000	6,605,000	+345,000	-----
Penalty mail-----	2,490,000	2,490,000	2,490,000	-----	-----
Federal Extension Service-----	2,464,500	2,724,500	2,464,500	-----	-\$260,000
Total, Extension Service-----	70,804,500	72,409,500	72,149,500	+1,345,000	-260,000
Farmer Cooperative Service-----	657,000	757,000	657,000	-----	-100,000
Soil Conservation Service:					
Conservation operations-----	89,636,000	90,725,000	90,280,000	+644,000	-445,000
Watershed protection-----	53,746,000	3 60,585,000	60,585,000	+6,839,000	-----
Flood prevention-----	24,999,000	24,000,000	25,000,000	+1,000	+1,000,000
Great Plains conservation program----	10,167,000	13,000,000	12,000,000	+1,833,000	-1,000,000
Total, Soil Conservation Service-----	178,548,000	188,310,000	187,865,000	+9,317,000	-445,000
Economic Research Service: Salaries and expenses-----	9,410,000	10,440,000	9,410,000	-----	-1,030,000

Statistical Reporting Service: Salaries and expenses-----	8,758,000	9,693,000	9,518,000	+760,000	-175,000
Agricultural Marketing Service:					
Marketing Research and Service-----	38,269,500	⁴ 40,485,000	38,857,000	+587,500	-1,628,000
Construction of facilities-----		1,600,000			-1,600,000
Payments to States and possessions-----	1,325,000	1,325,000	1,325,000		
Special milk program-----		105,000,000	105,000,000	+105,000,000	
School lunch program-----	⁵ 125,000,000	⁵ 125,000,000	⁵ 125,000,000		
Total, Agricultural Marketing Service-----	164,594,500	273,410,000	270,182,000	+105,587,500	-3,228,000
Foreign Agricultural Service:					
Salaries and expenses-----	⁶ 13,045,000	21,841,000	⁶ 16,145,000	+3,100,000	-5,696,000
Salaries and expenses (special foreign currency program)-----	2,856,000	4,000,000	4,000,000	+1,144,000	
Total, Foreign Agricultural Service-----	15,901,000	25,841,000	20,145,000	+4,244,000	-5,696,000
Commodity Exchange Authority-----	1,007,000	1,022,000	1,022,000	+15,000	

³ Includes \$950,000 increase contained in H. Doc. 447 for river basin surveys.
⁴ Includes \$150,000 increase contained in H. Doc. 447 for food management planning.
⁵ In addition, \$45,000,000 transferred from sec. 32 funds.
⁶ In addition, \$3,117,000 transferred from sec. 32 funds.

Comparative statement of appropriations for 1962 and estimates and amounts recommended in bill for 1963—Continued

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in bill for 1963	Bill compared with—	
				1962 appropriations	1963 estimates
TITLE I—GENERAL ACTIVITIES— Continued					
Agricultural Stabilization and Conservation Service:					
Acreage allotments and marketing quotas-----	\$44, 098, 000	7 \$44, 481, 000	\$44, 098, 000	-----	—\$383, 000
Sugar Act program-----	78, 000, 000	80, 000, 000	80, 000, 000	+\$2, 000, 000	-----
Agricultural conservation program-----	238, 000, 000	244, 500, 000	242, 000, 000	+4, 000, 000	—2, 500, 000
Emergency conservation measures-----	5, 000, 000	-----	-----	—5, 000, 000	-----
Conservation reserve program-----	312, 000, 000	323, 000, 000	300, 000, 000	—12, 000, 000	—23, 000, 000
Special agricultural conservation and adjustment programs-----	18, 500, 000	18, 500, 000	15, 000, 000	—3, 500, 000	—3, 500, 000
Total, Agricultural Stabilization and Conservation Service-----	695, 598, 000	710, 481, 000	681, 098, 000	—14, 500, 000	—29, 383, 000
Office of the General Counsel-----	3, 645, 000	3, 800, 000	3, 645, 000	-----	—155, 000
Office of Information-----	1, 590, 500	1, 610, 000	1, 610, 000	+19, 500	-----
Centennial observance of agriculture-----	100, 000	-----	-----	—100, 000	-----
National Agricultural Library-----	1, 028, 500	1, 220, 000	1, 028, 500	-----	—191, 500

General administration-----	3, 096, 000	3, 698, 000	3, 506, 000	+ 410, 000	- 192, 000
Total, title I, general activities-----	1, 353, 524, 500	1, 510, 069, 000	1, 465, 832, 500	+ 112, 308, 000	- 44, 236, 500
TITLE II—CREDIT AGENCIES					
Rural Electrification Administration:					
Loan authorizations:					
Electrification-----	⁸ (245, 000, 000)	⁹ (400, 000, 000)	¹³ (400, 000, 000)	¹³ (+ 155, 000, 000)	-----
Telephone-----	¹⁰ (162, 500, 000)	⁹ (80, 000, 000)	(80, 000, 000)	(- 82, 500, 000)	-----
Total, loan authorizations-----	(407, 500, 000)	(480, 000, 000)	(480, 000, 000)	(+ 72, 500, 000)	-----
Salaries and expenses-----	10, 024, 000	10, 324, 000	10, 024, 000	-----	- 300, 000
Total, Rural Electrification Administration-----	10, 024, 000	10, 324, 000	10, 024, 000	-----	- 300, 000
Farmers Home Administration:					
Rural housing grants and loans-----					
Direct loan account:	10, 000, 000	10, 000, 000	-----	- 10, 000, 000	- 10, 000, 000
Real estate loans-----	¹¹ (51, 000, 000)	(50, 000, 000)	(50, 000, 000)	(- 1, 000, 000)	-----
Operating loans-----	¹² (275, 000, 000)	(275, 000, 000)	(275, 000, 000)	-----	-----
Total, direct loan account-----	(326, 000, 000)	(325, 000, 000)	(325, 000, 000)	(- 1, 000, 000)	-----

⁷ Includes \$300,000 increase contained in H. Doc. 447 for food management planning.
⁸ Includes \$70,000,000 contingency authorization.
⁹ Includes amendment in H. Doc. 447 transferring \$55,000,000 from telephone to electrification loans.
¹⁰ Includes \$30,000,000 contingency authorization.
¹¹ Includes \$40,000,000 for farm ownership loans and \$11,000,000 for soil and water conservation loans.
¹² Includes \$37,500,000 of contingency authorization.
¹³ Of this amount, \$100,000,000 placed in contingency reserve for both electrification and telephone loans.

Comparative statement of appropriations for 1962 and estimates and amounts recommended in bill for 1963—Continued

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in bill for 1963	Bill compared with—	
				1962 appropriations	1963 estimates
TITLE II—CREDIT AGENCIES— Continued					
Farmers Home Administration—Con.					
Salaries and expenses-----	¹⁴ \$34, 382, 000	\$35, 000, 000	¹⁴ \$34, 382, 000	-----	—\$618, 000
Total, Farmers Home Adminis- tration-----	44, 382, 000	45, 000, 000	34, 382, 000	—\$10, 000, 000	—10, 618, 000
Total, title II, credit agencies:					
Loan authorizations-----	(733, 500, 000)	(805, 000, 000)	(805, 000, 000)	(+ 71, 500, 000)	-----
Direct appropriation-----	54, 406, 000	55, 324, 000	44, 406, 000	—10, 000, 000	—10, 918, 000
TITLE III—CORPORATIONS					
Federal Crop Insurance Corporation: Ad- ministrative and operating expenses:					
Appropriation-----	6, 549, 000	7, 500, 000	6, 549, 000	-----	—951, 000
Premium income-----	(2, 830, 000)	(2, 830, 000)	(3, 330, 000)	(+ 500, 000)	(+ 500, 000)
Total, Federal Crop Insurance Cor- poration-----	6, 549, 000	7, 500, 000	6, 549, 000	-----	—951, 000

¹⁴ In addition, \$1,050,000 transferred from agricultural credit insurance fund

Commodity Credit Corporation:					
Reimbursement for net realized losses--	1, 017, 610, 000	2, 489, 955, 000	2, 278, 455, 000	+1, 260, 845, 000	-211, 500, 000
Reimbursements for special activities:					
International Wheat Agreement--	88, 790, 000			-88, 790, 000	
Emergency famine relief-----	255, 685, 000			-255, 685, 000	
Sales for local currencies (Public Law 480)-----	1, 353, 000, 000			-1, 353, 000, 000	
Migratory waterfowl feed-----	13, 000			-13, 000	
Bartered materials for stockpile--	163, 163, 000			-163, 163, 000	
Grading and classing activities---	1, 264, 000			-1, 264, 000	
Total, reimbursements for special activities-----	1, 861, 915, 000			-1, 861, 915, 000	
Reimbursement for special milk program-----	90, 000, 000	105, 000, 000	105, 000, 000	+15, 000, 000	
Limitation on administrative expenses--	(47, 916, 000)	(48, 000, 000)	(47, 116, 000)	(-800, 000)	(-884, 000)
Total, Commodity Credit Corporation-----	2, 969, 525, 000	2, 594, 955, 000	2, 383, 455, 000	-586, 070, 000	-211, 500, 000
Total, title III, corporations-----	2, 976, 074, 000	2, 602, 455, 000	2, 390, 004, 000	-586, 070, 000	-212, 451, 000

Comparative statement of appropriations for 1962 and estimates and amounts recommended in bill for 1963—Continued

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in bill for 1963	Bill compared with—	
				1962 appropriations	1963 estimates
TITLE IV—FOREIGN ASSISTANCE PROGRAMS					
Public Law 480:					
Sales for foreign currencies-----	\$1, 250, 451, 000	\$1, 293, 000, 000	\$1, 080, 632, 000	—\$169, 819, 000	—\$212, 368, 000
Emergency famine relief-----	140, 868, 000	364, 000, 000	250, 000, 000	+109, 132, 000	—114, 000, 000
Long-term supply contracts-----	13, 000, 000	90, 000, 000	40, 000, 000	+27, 000, 000	—50, 000, 000
Total, Public Law 480-----	1, 404, 319, 000	1, 747, 000, 000	1, 370, 632, 000	—33, 687, 000	—376, 368, 000
International Wheat Agreement-----	70, 681, 000	96, 868, 000	81, 218, 000	+10, 537, 000	—15, 650, 000
Bartered materials for supplemental stockpile-----	125, 000, 000	343, 067, 000	125, 000, 000	-----	—218, 067, 000
Total, title IV, foreign assistance programs-----	1, 600, 000, 000	2, 186, 935, 000	1, 576, 850, 000	—23, 150, 000	—610, 085, 000
TITLE V—RELATED AGENCIES					
Farm Credit Administration: Limitation on administrative expenses-----	(2, 590, 000)	(2, 565, 000)	(2, 565, 000)	(—25, 000)	-----
Interior Department: Grain for migratory waterfowl-----	35, 000	-----	-----	—35, 000	-----
Total, title V, related agencies-----	35, 000	-----	-----	—35, 000	-----

Total Appropriations:

Title I—General activities-----	1,353,524,500	1,510,069,000	1,465,832,500	+112,308,000	-44,236,500
Title II—Credit agencies-----	54,406,000	55,324,000	44,406,000	-10,000,000	-10,918,000
Title III—Corporations-----	2,976,074,000	2,602,455,000	2,390,004,000	-586,070,000	-212,451,000
Title IV—Foreign assistance programs-----	1,600,000,000	2,186,935,000	1,576,850,000	-23,150,000	-610,085,000
Title V—Related agencies-----	35,000	-----	-----	-35,000	-----
Grand total-----	5,984,039,500	6,354,783,000	5,477,092,500	-506,947,000	-877,690,500

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Union Calendar No. 831

87TH CONGRESS
2^D SESSION

H. R. 12648

[Report No. 2024]

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 1962

MR. WHITTEN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the Depart-
- 5 ment of Agriculture and related agencies for the fiscal
- 6 year ending June 30, 1963; namely:

DEPARTMENT OF AGRICULTURE

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, and home economics, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, and for acquisition of sites therefor by donation, exchange, or purchase at a nominal cost not to exceed \$100, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$15,000, except for four buildings to be constructed or improved at a cost not to

1 exceed \$30,000 each and one building to be constructed at a
2 cost not to exceed \$50,000, and the cost of altering any one
3 building during the fiscal year shall not exceed \$5,000 or 5
4 per centum of the cost of the building, whichever is greater:
5 *Provided further*, That the limitations on alterations con-
6 tained in this Act shall not apply to a total of \$100,000 for
7 conversion of animal disease and parasite research facilities
8 at Beltsville, Maryland:

9 Research: For research and demonstrations on the pro-
10 duction and utilization of agricultural products, home eco-
11 nomics, and related research and services, \$77,473,000:
12 *Provided*, That the limitations contained herein shall not
13 apply to replacement of buildings needed to carry out the
14 Act of April 24, 1948 (21 U.S.C. 113a) ;

15 Plant and animal disease and pest control: For opera-
16 tions and measures, not otherwise provided for, to control and
17 eradicate pests and plant and animal diseases and for carry-
18 ing out assigned inspection, quarantine, and regulatory activi-
19 ties, as authorized by law, including expenses pursuant to the
20 Act of February 28, 1947, as amended (21 U.S.C. 114b-c),
21 \$57,580,500, of which \$1,500,000 shall be apportioned for
22 use pursuant to section 3679 of the Revised Statutes, as
23 amended, for the control of outbreaks of insects and plant
24 diseases to the extent necessary to meet emergency condi-
25 tions: *Provided*, That, in addition, in emergencies which

1 threaten the livestock or poultry industries of the country,
2 the Secretary may transfer from other appropriations or
3 funds available to the agencies or corporations of the Depart-
4 ment such sums as he may deem necessary, to be available
5 only in such emergencies for the arrest and eradication of
6 foot-and-mouth disease, rinderpest, contagious pleuropneu-
7 monia, or other contagious or infectious diseases of animals,
8 or European fowl pest and similar diseases in poultry, and
9 for expenses in accordance with the Act of February 28,
10 1947, as amended, and any unexpended balances of funds
11 transferred under this head in the next preceding fiscal year
12 shall be merged with such transferred amounts;

13 Meat inspection: For carrying out the provisions of laws
14 relating to Federal inspection of meat, and meat-food prod-
15 ucts, and the applicable provisions of the laws relating to
16 process or renovated butter, \$24,711,000.

17 Special fund: To provide for additional labor to be em-
18 ployed under contracts and cooperative agreements to
19 strengthen the work at research installations in the field, not
20 more than \$1,000,000 of the amount appropriated under this
21 head for the previous fiscal year may be used by the Admin-
22 istrator of the Agricultural Research Service in departmental
23 research programs in the current fiscal year, the amount
24 so used to be transferred to and merged with the appro-

1 priation otherwise available under "Salaries and expenses,
2 Research".

3 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
4 PROGRAM)

5 For purchase of foreign currencies which accrue under
6 title I of the Agricultural Trade Development and Assist-
7 ance Act of 1954, as amended (7 U.S.C. 1704), for mar-
8 ket development research authorized by section 104 (a), and
9 for agricultural and forestry research authorized by section
10 104 (k) of the Agricultural Trade Development and Assist-
11 ance Act of 1954, as amended (7 U.S.C. 1704 (a) (k)), to
12 remain available until expended, \$5,265,000: *Provided*,
13 That this appropriation shall be available, in addition to other
14 appropriations for these purposes, for the purchase of the
15 foregoing currencies: *Provided further*, That funds appro-
16 priated herein shall be used to purchase such foreign cur-
17 rencies as the Department determines are needed and can be
18 used most effectively to carry out the purposes of this para-
19 graph, and such foreign currencies shall, pursuant to the pro-
20 visions of section 104 (a), be set aside for sale to the De-
21 partment before foreign currencies which accrue under said
22 title I are made available for other United States uses: *Pro-*
23 *vided further*, That not to exceed \$25,000 of this appropria-
24 tion shall be available for purchase of foreign currencies for

1 expenses of employment pursuant to the second sentence of
2 section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574),
3 as amended by section 15 of the Act of August 2, 1946 (5
4 U.S.C. 55a).

5 CONSTRUCTION OF FACILITIES

6 For construction of facilities and acquisition of the nec-
7 essary land therefor by purchase, donation or exchange,
8 \$760,000, to remain available until expended.

9 COOPERATIVE STATE EXPERIMENT

10 STATION SERVICE

11 PAYMENTS AND EXPENSES

12 For payments to agricultural experiment stations and
13 other expenses, including \$37,113,000 to carry into effect
14 the provisions of the Hatch Act, approved March 2, 1887,
15 as amended by the Act approved August 11, 1955 (7
16 U.S.C. 361a-361i), including administration by the United
17 States Department of Agriculture; \$500,000 for payments
18 authorized under section 204 (b) of the Agricultural Market-
19 ing Act of 1946 (7 U.S.C. 1623); \$250,000 for penalty
20 mail costs of agricultural experiment stations under section 6
21 of the Hatch Act of 1887, as amended; and \$344,000 for
22 necessary expenses of the Cooperative State Experiment
23 Station Service, including administration of payments to
24 State agricultural experiment stations, of which not more
25 than \$25,000 shall be available for employment pursuant to

1 the second sentence of section 706 (a) of the Organic Act
 2 of 1944 (5 U.S.C. 574), as amended by section 15 of the
 3 Act of August 2, 1946 (5 U.S.C. 55a) ; \$38,207,000.

4 EXTENSION SERVICE

5 COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

6 Payments to States and Puerto Rico: For payments for
 7 cooperative agricultural extension work under the Smith-
 8 Lever Act, as amended by the Act of June 26, 1953 (7
 9 U.S.C. 341-348), and the Act of August 11, 1955 (7
 10 U.S.C. 347a), \$59,020,000; and payments and contracts
 11 for such work under section 204 (b) -205 of the Agricultural
 12 Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,570,000;
 13 in all, \$60,590,000: *Provided*, That funds hereby appropri-
 14 ated pursuant to section 3 (c) of the Act of June 26, 1953,
 15 shall not be paid to any State or Puerto Rico prior to avail-
 16 ability of an equal sum from non-Federal sources for expendi-
 17 ture during the current fiscal year.

18 Retirement costs for extension agents: For cost of em-
 19 ployer's share of Federal retirement for cooperative exten-
 20 sion employees, \$6,605,000.

21 Penalty mail: For costs of penalty mail for cooperative
 22 extension agents and State extension directors, \$2,490,000.

23 Federal Extension Service: For administration of the
 24 Smith-Lever Act, as amended by the Act of June 26, 1953
 25 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7

1 U.S.C. 347a), and extension aspects of the Agricultural
 2 Marketing Act of 1946 (7 U.S.C. 1621-1627), and to
 3 coordinate and provide program leadership for the exten-
 4 sion work of the Department and the several States and
 5 insular possessions, \$2,464,500.

6 FARMER COOPERATIVE SERVICE

7 SALARIES AND EXPENSES

8 For necessary expenses to carry out the Act of July 2,
 9 1926 (7 U.S.C. 451-457), \$657,000.

10 SOIL CONSERVATION SERVICE

11 CONSERVATION OPERATIONS

12 For necessary expenses for carrying out the provisions
 13 of the Act of April 27, 1935 (16 U.S.C. 590a-590f), in-
 14 cluding preparation of conservation plans and establishment
 15 of measures to conserve soil and water (including farm irri-
 16 gation and land drainage and such special measures as may
 17 be necessary to prevent floods and the siltation of reservoirs) ;
 18 operation of conservation nurseries; classification and map-
 19 ping of soils; dissemination of information; purchase and
 20 erection or alteration of permanent buildings; and operation
 21 and maintenance of aircraft, \$90,280,000: *Provided*, That
 22 the cost of any permanent building purchased, erected, or
 23 as improved, exclusive of the cost of constructing a water
 24 supply or sanitary system and connecting the same to any
 25 such building and with the exception of buildings acquired

1 in conjunction with land being purchased for other pur-
 2 poses, shall not exceed \$2,500, except for eight buildings
 3 to be constructed or improved at a cost not to exceed \$15,000
 4 per building and except that alterations or improvements
 5 to other existing permanent buildings costing \$2,500 or more
 6 may be made in any fiscal year in an amount not to exceed
 7 \$500 per building: *Provided further*, That no part of this
 8 appropriation shall be available for the construction of any
 9 such building on land not owned by the Government:
 10 *Provided further*, That no part of this appropriation may be
 11 expended for soil and water conservation operations under
 12 the Act of April 27, 1935 (16 U.S.C. 590a-590f), in
 13 demonstration projects: *Provided further*, That not to exceed
 14 \$5,000 may be used for employment pursuant to the second
 15 sentence of section 706 (a) of the Organic Act of 1944 (5
 16 U.S.C. 574), as amended by section 15 of the Act of August
 17 2, 1946 (5 U.S.C. 55a): *Provided further*, That qualified
 18 local engineers may be temporarily employed at per diem
 19 rates to perform the technical planning work of the service.

20 WATERSHED PROTECTION

21 For expenses necessary to conduct surveys, investiga-
 22 tions, and research and to carry out preventive measures, in-
 23 cluding, but not limited to, engineering operations, methods
 24 of cultivation, the growing of vegetation, and changes in use

1 of land, in accordance with the Watershed Protection and
2 Flood Prevention Act, approved August 4, 1954, as
3 amended (16 U.S.C. 1001-1008), and the provisions of the
4 Act of April 27, 1935 (16 U.S.C. 590a-f), to remain avail-
5 able until expended, \$60,585,000, with which shall be
6 merged the unexpended balances of funds heretofore ap-
7 propriated or transferred to the Department for watershed
8 protection purposes: *Provided*, That not to exceed \$100,000
9 may be used for employment pursuant to the second sentence
10 of section 706 (a) of the Organic Act of 1944 (5 U.S.C.
11 574), as amended by section 15 of the Act of August 2,
12 1946 (5 U.S.C. 55a) : *Provided further*, That not to exceed
13 \$3,000,000, together with the unobligated balance of funds
14 previously appropriated for loans and related expense, shall
15 be available for such purposes.

16 FLOOD PREVENTION

17 For expenses necessary, in accordance with the Flood
18 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
19 16 U.S.C. 1006a), as amended and supplemented, and in
20 accordance with the provisions of laws relating to the activi-
21 ties of the Department, to perform works of improvement,
22 including not to exceed \$100,000 for employment pursuant
23 to the second sentence of section 706 (a) of the Organic
24 Act of 1944 (5 U.S.C. 574), as amended by section 15 of
25 the Act of August 2, 1946 (5 U.S.C. 55a), to remain avail-

1 able until expended; \$25,000,000, with which shall be
2 merged the unexpended balances of funds heretofore appro-
3 priated or transferred to the Department for flood prevention
4 purposes: *Provided*, That no part of such funds shall be
5 used for the purchase of lands in the Yazoo and Little Talla-
6 hatchie watersheds without specific approval of the county
7 board of supervisors of the county in which such lands are
8 situated: *Provided further*, That not to exceed \$1,000,000,
9 together with the unobligated balance of funds previously
10 appropriated for loans and related expense, shall be available
11 for such purposes.

12 GREAT PLAINS CONSERVATION PROGRAM

13 For necessary expenses to carry into effect a program of
14 conservation in the Great Plains area, pursuant to section
15 16 (b) of the Soil Conservation and Domestic Allotment
16 Act, as added by the Act of August 7, 1956 (16 U.S.C.
17 590p), \$12,000,000, to remain available until expended.

18 ECONOMIC RESEARCH SERVICE

19 SALARIES AND EXPENSES

20 For necessary expenses of the Economic Research
21 Service in conducting economic research and service relating
22 to agricultural production, marketing, and distribution, as
23 authorized by the Agricultural Marketing Act of 1946
24 (7 U.S.C. 1621-1627), and other laws, including economics
25 of marketing; analyses relating to farm prices, income and

1 population, and demand for farm products, use of resources
2 in agriculture, adjustments, costs and returns in farming,
3 and farm finance; and for analyses of supply and demand for
4 farm products in foreign countries and their effect on
5 prospects for United States exports, progress in economic
6 development and its relation to sales of farm products, assem-
7 bly and analysis of agricultural trade statistics and analysis of
8 international financial and monetary programs and policies
9 as they affect the competitive position of United States farm
10 products; \$9,410,000: *Provided*, That not less than \$350,-
11 000 of the funds contained in this appropriation shall be
12 available to continue to gather statistics and conduct a special
13 study on the price spread between the farmer and consumer:
14 *Provided further*, That not to exceed \$75,000 of the ap-
15 propriation shall be available for employment pursuant to
16 the second sentence of section 706 (a) of the Organic Act
17 of 1944 (5 U.S.C. 574), as amended by section 15 of the
18 Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*,
19 That not less than \$145,000 of the funds contained in this
20 appropriation shall be available for analysis of statistics and
21 related facts on foreign production and full and complete
22 information on methods used by other countries to move
23 farm commodities in world trade on a competitive basis.

1 STATISTICAL REPORTING SERVICE

2 SALARIES AND EXPENSES

3 For necessary expenses of the Statistical Reporting
4 Service in conducting statistical reporting and service work,
5 including crop and livestock estimates, statistical coordination
6 and improvements, and marketing surveys, as authorized by
7 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–
8 1627) and other laws, \$9,518,000: *Provided*, That no part
9 of the funds herein appropriated shall be available for any
10 expense incident to publishing estimates of apple production
11 for other than the commercial crop.

12 AGRICULTURAL MARKETING SERVICE

13 MARKETING RESEARCH AND SERVICE

14 For expenses necessary to carry on research and service
15 to improve and develop marketing and distribution relating to
16 agriculture as authorized by the Agricultural Marketing Act
17 of 1946 (7 U.S.C. 1621–1627) and other laws, including
18 the administration of marketing regulatory acts connected
19 therewith; research and development, including related cost
20 and efficiency evaluations, and services relating to agricul-
21 tural marketing and distribution, for carrying out regulatory
22 acts connected therewith, and for administration and co-
23 ordination of payments to States; and not to exceed \$25,000

1 for employment at rates not to exceed \$50 per diem,
2 except for employment in rate cases at not to exceed \$100
3 per diem, pursuant to section 706 (a) of the Organic Act
4 of 1944 (5 U.S.C. 574), as amended by section 15 of the
5 Act of August 2, 1946 (5 U.S.C. 55a), in carrying out
6 section 201 (a) to 201 (d), inclusive, of title II of the Agri-
7 cultural Adjustment Act of 1938 (7 U.S.C. 1291) and sec-
8 tion 203 (j) of the Agricultural Marketing Act of 1946,
9 \$38,857,000: *Provided*, That appropriations hereunder shall
10 be available pursuant to 5 U.S.C. 565a for the construction,
11 alteration, and repair of buildings and improvements, but
12 unless otherwise provided, the cost of erecting any one build-
13 ing shall not exceed \$15,000, except for two buildings to be
14 constructed or improved at a cost not to exceed \$30,000
15 each, and the cost of altering any one building during the
16 fiscal year shall not exceed \$5,000 or 5 per centum of the
17 cost of the building, whichever is greater.

18 PAYMENTS TO STATES AND POSSESSIONS

19 For payments to departments of agriculture, bureaus and
20 departments of markets, and similar agencies for marketing
21 activities under section 204 (b) of the Agricultural Market-
22 ing Act of 1946 (7 U.S.C. 1623 (b)), \$1,325,000.

SPECIAL MILK PROGRAM

For necessary expenses to carry out the Special Milk Program, as authorized by the Act of August 8, 1961 (75 Stat. 319), \$105,000,000.

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760), \$125,000,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: *Provided further*, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act: *Provided further*, That for the purpose of providing additional assistance based on program participation and needs in the States as may be necessary to aid in meeting the nutritional and other requirements of section 9 of the Act, not to exceed \$10,000,000 of this appropriation shall be available for commodity assistance under section 6 of the Act, in addition to amounts normally expended for commodity procurement under that section, under such regulations as the Secretary may prescribe.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 3 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$16,145,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

1 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
2 PROGRAM)

3 For purchase of foreign currencies which accrue under
4 title I of the Agricultural Trade Development and Assistance
5 Act of 1954, as amended (7 U.S.C. 1704), for market
6 development activities authorized by section 104 (a) of
7 the Agricultural Trade Development and Assistance Act of
8 1954, as amended (7 U.S.C. 1704 (a)), \$4,000,000, to re-
9 main available until expended: *Provided*, That funds appro-
10 priated herein shall be used to purchase such foreign cur-
11 rencies as the Department determines are needed and can
12 be used most effectively to carry out the purposes of this
13 paragraph, and such foreign currencies shall, pursuant to the
14 provisions of section 104 (a), be set aside for sale to the
15 Department before foreign currencies which accrue under
16 said title I are made available for other United States uses:
17 *Provided further*, That this appropriation shall be available,
18 in addition to other appropriations for these purposes, for
19 the purchase of the foregoing currencies.

1 COMMODITY EXCHANGE AUTHORITY

2 SALARIES AND EXPENSES

3 For necessary expenses to carry into effect the provisions
4 of the Commodity Exchange Act, as amended (7 U.S.C.
5 1-17a), \$1,022,000.

6 AGRICULTURAL STABILIZATION AND
7 CONSERVATION SERVICE

8 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

9 For necessary expenses to formulate and carry out acre-
10 age allotment and marketing quota programs pursuant to
11 provisions of title III of the Agricultural Adjustment Act of
12 1938, as amended (7 U.S.C. 1301-1393), \$44,098,000,
13 of which not more than \$7,125,000 shall be transferred to
14 the appropriation account "Administrative expenses, section
15 392, Agricultural Adjustment Act of 1938".

16 SUGAR ACT PROGRAM

17 For necessary expenses to carry into effect the provisions
18 of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
19 \$80,000,000, to remain available until June 30 of the next
20 succeeding fiscal year: *Provided*, That expenditures (includ-
21 ing transfers) from this appropriation for other than pay-
22 ments to sugar producers shall not exceed \$2,350,000.

23 AGRICULTURAL CONSERVATION PROGRAM

24 For necessary expenses to carry into effect the program
25 authorized in sections 7 to 15, 16 (a), and 17 of the Soil

1 Conservation and Domestic Allotment Act, approved Febru-
2 ary 29, 1936, as amended (16 U.S.C. 590g-590(o),
3 590p(a), and 590q), including not to exceed \$6,000 for
4 the preparation and display of exhibits, including such dis-
5 plays at State, interstate, and international fairs within the
6 United States, \$242,000,000, to remain available until De-
7 cember 31 of the next succeeding fiscal year for compliance
8 with the programs of soil-building and soil- and water-con-
9 serving practices authorized under this head in the Depart-
10 ment of Agriculture and Related Agencies Appropriation
11 Acts, 1961 and 1962, carried out during the period July 1,
12 1960, to December 31, 1962, inclusive: *Provided*, That not
13 to exceed \$29,100,000 of the total sum provided under this
14 head shall be available during the current fiscal year for ad-
15 ministrative expenses for carrying out such program, the cost
16 of aerial photographs, however, not to be charged to such
17 limitation; but not more than \$5,750,000 shall be trans-
18 ferred to the appropriation account "Administrative expenses,
19 section 392, Agricultural Adjustment Act of 1938": *Pro-*
20 *vided further*, That none of the funds herein appropriated
21 shall be used to pay the salaries or expenses of any regional
22 information employees or any State information employees,
23 but this shall not preclude the answering of inquiries or sup-
24 plying of information at the county level to individual farm-
25 ers: *Provided further*, That such amounts shall be available

1 for administrative expenses in connection with the formula-
2 tion and administration of the 1963 program of soil-building
3 and soil- and water-conserving practices, including related
4 wildlife conserving practices, under the Act of February 29,
5 1936, as amended (amounting to \$250,000,000, including
6 administration, except that no participant shall receive more
7 than \$2,500, except where the participants from two or
8 more farms or ranches join to carry out approved practices
9 designed to conserve or improve the agricultural resources
10 of the community): *Provided further*, That not to ex-
11 ceed 5 per centum of the allocation for the 1963 agri-
12 cultural conservation program for any county may, on the
13 recommendation of such county committee and approval of
14 the State committee, be withheld and allotted to the Soil
15 Conservation Service for services of its technicians in formu-
16 lating and carrying out the agricultural conservation pro-
17 gram in the participating counties, and shall not be utilized
18 by the Soil Conservation Service for any purpose other than
19 technical and other assistance in such counties, and in addi-
20 tion, on the recommendation of such county committee and
21 approval of the State committee, not to exceed 1 per centum
22 may be made available to any other Federal, State, or local
23 public agency for the same purpose and under the same con-
24 ditions: *Provided further*, That for the 1963 program \$2,-
25 500,000 shall be available for technical assistance in formu-

1 lating and carrying out agricultural conservation practices:
2 *Provided further*, That such amounts shall be available for
3 the purchase of seeds, fertilizers, lime, trees, or any other
4 farming material, or any soil-terracing services, and mak-
5 ing grants thereof to agricultural producers to aid them
6 in carrying out farming practices approved by the Secretary
7 under programs provided for herein: *Provided further*,
8 That no part of any funds available to the Department, or
9 any bureau, office, corporation, or other agency constituting
10 a part of such Department, shall be used in the current
11 fiscal year for the payment of salary or travel expenses
12 of any person who has been convicted of violating the
13 Act entitled "An Act to prevent pernicious political activi-
14 ties", approved August 2, 1939, as amended, or who has
15 been found in accordance with the provisions of title 18,
16 United States Code, section 1913, to have violated or at-
17 tempted to violate such section which prohibits the use of
18 Federal appropriations for the payment of personal serv-
19 ices or other expenses designed to influence in any manner
20 a Member of Congress to favor or oppose any legislation
21 or appropriation by Congress except upon request of any
22 Member or through the proper official channels.

23 CONSERVATION RESERVE PROGRAM

24 For necessary expenses to carry out a conservation re-
25 serve program as authorized by subtitles B and C of the Soil

1 Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816),
2 and to carry out liquidation activities for the acreage reserve
3 program, to remain available until expended, \$300,000,000,
4 with which may be merged the unexpended balances of
5 funds heretofore appropriated for soil bank programs: *Pro-*
6 *vided*, That not to exceed \$9,875,000 shall be available for
7 administrative expenses, of which not less than \$8,000,000
8 may be transferred to the appropriation account "Local ad-
9 ministration, section 388, Agricultural Adjustment Act of
10 1938": *Provided further*, That no part of these funds shall
11 be paid on any contract which is illegal under the law due to
12 the division of lands for the purpose of evading limits on an-
13 nual payments to participants.

14 SPECIAL AGRICULTURAL CONSERVATION

15 AND ADJUSTMENT PROGRAMS

16 For necessary administrative expenses to carry into effect
17 a special agricultural conservation program pursuant to sec-
18 tion 16 (d) of the Soil Conservation and Domestic Allotment
19 Act, as added by section 132 of the Act of August 8, 1961
20 (75 Stat. 302), and a special wheat program pursuant to
21 section 124 of such Act, \$15,000,000.

OFFICE OF THE GENERAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$3,645,000.

OFFICE OF INFORMATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,610,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-three thousand and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agricul-

1 ture) as authorized by section 73 of the Act of January 12,
2 1895 (44 U.S.C. 241) : *Provided*, That in the preparation
3 of motion pictures or exhibits by the Department, not exceed-
4 ing a total of \$10,000 may be used for employment pursuant
5 to the second sentence of section 706 (a) of the Organic Act
6 of 1944 (5 U.S.C. 574), as amended by section 15 of the
7 Act of August 2, 1946 (5 U.S.C. 55a).

8 NATIONAL AGRICULTURAL LIBRARY

9 SALARIES AND EXPENSES

10 For necessary expenses of the National Agricultural
11 Library, \$1,028,500.

12 GENERAL ADMINISTRATION

13 SALARIES AND EXPENSES

14 For necessary expenses of the Office of the Secretary of
15 Agriculture and for general administration of the Depart-
16 ment of Agriculture, including expenses of the National Agri-
17 cultural Advisory Commission; repairs and alterations; and
18 other miscellaneous supplies and expenses not otherwise pro-
19 vided for and necessary for the practical and efficient work
20 of the Department of Agriculture; \$3,506,000: *Provided*,
21 That this appropriation shall be reimbursed from applicable
22 appropriations for travel expenses incident to the holding of
23 hearings as required by the Administrative Procedures Act
24 (5 U.S.C. 1001) : *Provided further*, That not to exceed

1 \$2,500 of this amount shall be available for official reception
2 and representation expenses, not otherwise provided for, as
3 determined by the Secretary.

4 TITLE II—CREDIT AGENCIES

5 RURAL ELECTRIFICATION ADMINISTRATION

6 To carry into effect the provisions of the Rural Electri-
7 fication Act of 1936, as amended (7 U.S.C. 901-924), as
8 follows:

9 LOAN AUTHORIZATIONS

10 For loans in accordance with said Act, and for carrying
11 out the provisions of section 7 thereof, to be borrowed from
12 the Secretary of the Treasury in accordance with the provi-
13 sions of section 3 (a) of said Act, as follows: Rural electri-
14 fication program, \$400,000,000, of which \$100,000,000
15 shall be placed in reserve to be borrowed under the same
16 terms and conditions to the extent that such amount is
17 required during the fiscal year 1963 under the then existing
18 conditions for the expeditious and orderly development of the
19 rural electrification and rural telephone programs; and rural
20 telephone program, \$80,000,000.

21 SALARIES AND EXPENSES

22 For administrative expenses, including not to exceed
23 \$500 for financial and credit reports, and not to exceed
24 \$150,000 for employment pursuant to the second sentence

1 of section 706 (a) of the Organic Act of 1944 (5 U.S.C.
2 574), as amended by section 15 of the Act of August 2,
3 1946 (5 U.S.C. 55a), \$10,024,000.

4 FARMERS HOME ADMINISTRATION

5 DIRECT LOAN ACCOUNT

6 Direct loans and advances under subtitles A and B,
7 and advances under section 335 (a) for which funds are not
8 otherwise available, of the Consolidated Farmers Home Ad-
9 ministration Act of 1961 (75 Stat. 307) may be made from
10 funds available in the Farmers Home Administration direct
11 loan account as follows: real estate loans, \$50,000,000; and
12 operating loans, \$275,000,000.

13 SALARIES AND EXPENSES

14 For necessary expenses of the Farmers Home Adminis-
15 tration, not otherwise provided for, in administering the pro-
16 grams authorized by the Consolidated Farmers Home
17 Administration Act of 1961 (75 Stat. 307), title V of the
18 Housing Act of 1949, as amended (42 U.S.C. 1471-1484),
19 and the Rural Rehabilitation Corporation Trust Liquidation
20 Act, approved May 3, 1950 (40 U.S.C. 440-444); \$34,-
21 382,000, together with not more than \$1,050,000 of the
22 charges collected in connection with the insurance of loans as
23 authorized by section 309 (e) of the Consolidated Farmers
24 Home Administration Act of 1961, and section 514 (b) (3)
25 of the Housing Act of 1949, as amended.

TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$6,549,000.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$3,330,000 of administrative and operating expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To partially reimburse the Commodity Credit Corporation for net realized losses sustained during the fiscal year ending June 30, 1961, pursuant to the Act of August 17, 1961 (75 Stat. 391), \$2,278,455,000.

1 REIMBURSEMENT FOR SPECIAL MILK PROGRAM

2 To reimburse the Commodity Credit Corporation for
3 amounts advanced for the fiscal year beginning July 1, 1961,
4 for the special milk program for children pursuant to the Act
5 of July 1, 1958, as amended (7 U.S.C. 1446; 75 Stat. 147-
6 148, 319), \$105,000,000.

7 LIMITATION ON ADMINISTRATIVE EXPENSES

8 Nothing in this Act shall be so construed as to prevent
9 the Commodity Credit Corporation from carrying out any
10 activity or any program authorized by law: *Provided*, That
11 not to exceed \$47,116,000 shall be available for adminis-
12 trative expenses of the Corporation: *Provided further*, That
13 \$1,000,000 of this authorization shall be available only
14 to expand and strengthen the sales program of the Cor-
15 poration pursuant to authority contained in the Corporation's
16 charter: *Provided further*, That not less than 7 per centum
17 of this authorization shall be placed in reserve to be ap-
18 portioned pursuant to section 3679 of the Revised Statutes,
19 as amended, for use only in such amounts and at such
20 time as may become necessary to carry out program
21 operations: *Provided further*, That all necessary expenses
22 (including legal and special services performed on a contract

1 or fee basis, but not including other personal services) in
2 connection with the acquisition, operation, maintenance, im-
3 provement, or disposition of any real or personal property
4 belonging to the Corporation or in which it has an interest,
5 including expenses of collections of pledge collateral, shall
6 be considered as nonadministrative expenses for the purposes
7 hereof.

8 TITLE IV—FOREIGN ASSISTANCE PROGRAMS

9 PUBLIC LAW 480

10 For expenses during fiscal year 1963, not otherwise
11 recoverable, under the Agricultural Trade Development and
12 Assistance Act of 1954, as amended (7 U.S.C. 1701–1709,
13 1721–1724, 1731–1736), to remain available until expended,
14 as follows: (1) Sale of surplus agricultural commodities for
15 foreign currencies pursuant to title I of said Act,
16 \$1,080,632,000; (2) commodities disposed of for emergency
17 famine relief to friendly peoples pursuant to title II of said
18 Act, \$250,000,000; and (3) long-term supply contracts
19 pursuant to title IV of said Act, \$40,000,000.

20 INTERNATIONAL WHEAT AGREEMENT

21 For expenses during fiscal year 1963 under the Inter-
22 national Wheat Agreement Act of 1949, as amended (7
23 U.S.C. 1641–1642), \$81,218,000, to remain available until
24 expended.

1 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

2 For expenses during fiscal year 1963 related to strategic
3 and other materials acquired as a result of barter or exchange
4 of agricultural commodities or products and transferred to
5 the supplemental stockpile pursuant to Public Law 540,
6 Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000, to
7 remain available until expended.

8 TITLE V—RELATED AGENCIES

9 FARM CREDIT ADMINISTRATION

10 LIMITATION ON ADMINISTRATIVE EXPENSES

11 Not to exceed \$2,565,000 (from assessments collected
12 from farm credit agencies) shall be obligated during the cur-
13 rent fiscal year for administrative expenses.

14 TITLE VI—GENERAL PROVISIONS

15 SEC. 601. Within the unit limit of cost fixed by law,
16 appropriations and authorizations made for the Department
17 under this Act shall be available for the purchase, in addition
18 to those specifically provided for, of not to exceed four
19 hundred and seventy-six passenger motor vehicles, of which
20 four hundred and forty-three shall be for replacement only,
21 and for the hire of such vehicles.

22 SEC. 602. Provisions of law prohibiting or restricting the
23 employment of aliens shall not apply to employment under
24 the appropriation for the Foreign Agricultural Service.

25 SEC. 603. Funds available to the Department of Agricul-

1 ture shall be available for uniforms or allowances therefor as
2 authorized by the Act of September 1, 1954, as amended (5
3 U.S.C. 2131).

4 SEC. 604. No part of the funds appropriated by this Act
5 shall be used for the payment of any officer or employee of
6 the Department who, as such officer or employee, or on be-
7 half of the Department or any division, commission, or
8 bureau thereof, issues, or causes to be issued, any prediction,
9 oral or written, or forecast, except as to damage threatened
10 or caused by insects and pests, with respect to future prices
11 of cotton or the trend of same.

12 SEC. 605. Except to provide materials required in or
13 incident to research or experimental work where no suit-
14 able domestic product is available, no part of the funds ap-
15 propriated by this Act shall be expended in the purchase
16 of twine manufactured from commodities or materials pro-
17 duced outside of the United States.

18 SEC. 606. Not less than \$1,500,000 of the appropria-
19 tions of the Department for research and service work
20 authorized by the Acts of August 14, 1946, July 28, 1954,
21 and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42
22 U.S.C. 1891-1893), shall be available for contracting in
23 accordance with said Acts.

24 This Act may be cited as the "Department of Agricul-
25 ture and Related Agencies Appropriation Act, 1963".

87TH CONGRESS
2^D SESSION

H. R. 12648

[Report No. 2024]

A BILL

Making appropriations for the Department of
Agriculture and related agencies for the
fiscal year ending June 30, 1963, and for
other purposes.

By Mr. WHITTEN

JULY 20, 1962

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

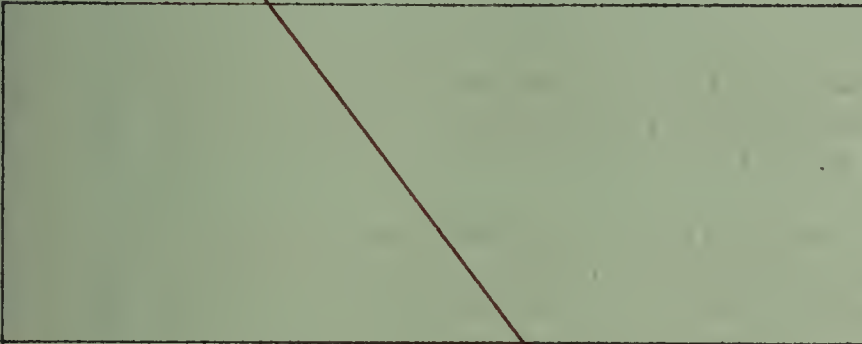
Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued July 25, 1962
For actions of July 24, 1962
87th-2d, No. 126



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HIGHLIGHTS: House began debate on agricultural appropriation bill. House agreed to conference report on foreign aid authorization bill. House subcommittee reported bill for housing for elderly in rural areas. House received conference report on Treasury-Post Office appropriation bill. Rep. Cooley submitted measure to increase period in which hearings and reports will be available before consideration of appropriation bills.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1963. Began debate on this bill, H. R. 12648. pp. 13589-621

Agreed to the following amendments:

By Rep. Whitten, to remove funds for screwworm eradication in the Southwest (funds for this purpose were included in the Second Supplemental Appropriation Bill, 1962). pp. 13608-9

By Rep. Reuss, to provide that no portion of the funds appropriated for the Agricultural Conservation Program may be used to provide financial or technical assistance for drainage on wetlands. p. 13611

Rejected the following amendments:

By Rep. Michel, by a vote of 58 to 108, to provide that no portion of the funds appropriated for the Agricultural Conservation Program may be used for payments on diverted acreage where other conservation-type payments are being received. pp. 13611-3

By Rep. Pelly, to provide that no portion of the funds appropriated for the Office of Information shall be used for bulletins or publications relating to sewing. pp. 13613-4

By Rep. Michel, by a vote of 94 to 133, to provide that of the amounts authorized to be borrowed for REA electrification loans, not to exceed \$150,000,000 may be used for generation and transmission loans. pp. 13614-20

2. FOREIGN AID. By a vote of 221 to 162, agreed to the conference report on S.2996, the foreign aid authorization bill. This bill will now be sent to the President pp. 13574-88, 13624
3. HOUSING. The Subcommittee on Housing of the Banking and Currency Committee voted to report to the full committee H. R. 12628, to authorize a program of housing for the elderly in rural areas. p. D627
4. TREASURY-POST OFFICE APPROPRIATION BILL, 1963. Received the conference report on this bill, H. R. 10526 (H. Rept. 2028) (p. 13621). This bill includes appropriations for the Budget Bureau, Council of Economic Advisers, Emergency Fund for the President, funds for the President for management improvement in the executive agencies, and the Advisory Commission on Intergovernmental Relations.
5. FOREIGN TRADE. Rep. Kearns inserted the testimony of the vice-president of the National Federation of Independent Business before the Senate Commerce Committee "on the steps being taken by the Department of Commerce to expand exports and to improve services to American exporters at home and abroad." pp. 13630-2
6. AREA REDEVELOPMENT. Rep. Moore inserted an editorial commending a grant by the Area Redevelopment Administration for a tourist center at Sugar Grove, W. Va. pp. 13633-4

SENATE

7. SCHOOL LUNCH PROGRAM. The D. C. Committee voted to report (but did not actually report) S. 3314, to amend the D. C. Public School Food Services Act. p. D625

ITEMS IN APPENDIX

8. NATURAL RESOURCES. Extension of remarks of Rep. Reifel discussing a recent soil and water seminar in South Dakota and inserting an address, "The Seminar as Viewed From Washington." pp. A5665-6
9. PERSONNEL. Extension of remarks of Rep. Lane inserting his statement in support of H. R. 3987, to increase the annuities of retired Federal employees. p.A5669
10. TEXTILES. Extension of remarks of Rep. Hemphill inserting an editorial, "Will Washington Dump the Textile Industry?" p. A5674
11. FISCAL POLICY. Extension of remarks of Rep. Rousselot inserting two editorials, "Spend Our Way to Prosperity? Deepest Depression Feared if Unsound Counsel Prevails," and, "The Economic Debate." pp. A5676-7
12. LUMBER INDUSTRY. Extension of remarks of Rep. Sikes inserting an article criticizing USDA timber sales, "Selling Public Timber." pp. A5684-5
13. FARM PROGRAM. Extension of remarks of Rep. Broomfield inserting an editorial criticizing the Secretary, "A Farm Plan Too Good for Freeman's Liking." p.A5688

DEPARTMENT OF AGRICULTURE
AND RELATED AGENCIES APPROPRIATION BILL, 1963

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited not to exceed 2 hours, one-half of the time to be controlled by the gentleman from Minnesota [Mr. ANDERSEN] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12648), with Mr. HARRIS in the chair.

The clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WHITTEN. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this is the 12th or 13th time that it has been my privilege to bring to the House of Representatives the bill making appropriations for the Department of Agriculture.

Mr. Chairman, I have taken great pleasure in representing the American people, I might say, in presenting this bill each year, because whatever we may think, food, clothing, and shelter remain basic. They are just as basic today as they were in the beginning of time. Not only that, but the well-being of those that provide them continues essential to the overall welfare. It makes no difference how many or how few are engaged in any nation in the actual production of food, clothing, and shelter, the well-being of that nation will be dependent upon the well-being of the group which has that assignment.

ONE HUNDRED YEARS OF PROGRESS

In the past 100 years, since the U.S. Department of Agriculture was created by President Lincoln on May 15, 1862, our Nation has developed the highest standard of living of any nation in history. To this American agriculture has made a significant contribution.

As we observe the Department's centennial anniversary this year it is appropriate to call attention to the fact that the achievements of American agriculture are the envy of the rest of the world. American agriculture has met every need for food and fiber at home and abroad, in war or in peace. For the first time in the history of man, the terror of famine has been replaced by the problems of feast.

It is well to compare the situation in 1862 with 1962.

In 1862, one American out of five was working directly on the farm, leaving only four persons to do the other things essential to the Nation's economy. In 1962, only 1 out of 27 persons is directly engaged in growing our food and fiber, leaving the other 26 available to produce and provide all those things which make for the highest standard of living ever enjoyed by any nation.

Not only that, but the system of agriculture built up in this country during the past century has made American farm products of superior quality. Their wholesomeness and variety are without limit. In much of the rest of the world, what we consider to be essential foods are not to be had at any price.

Further, the past 100 years of agricultural advancement has made food the American consumer's best bargain, costing only one-fifth of his take-home pay. One hour of work today will buy from three to four times as much food as it would only half a century ago. During this period, consumer income has increased elevenfold, from \$33.7 billion in 1912 to \$416 billion in 1961, while the cost of food has gone up only threefold, approximately 200 percent.

It is the normal thing for people in most areas of the world to spend one-half or more of their total income for food. The latest United Nations figures show the percentage of income spent for food in certain areas as follows: Italy, 45 percent; Japan, 46 percent; Ceylon, 52 percent; Nigeria, 70 percent. In the United States, food costs take only 20 percent or less of the disposable income, as compared to over 50 percent in Russia.

This is the success story of our Nation.

It did not just happen, nor was it an accident. It has been the result of our various agricultural programs—plus the hard work, ingenuity, and ability of the American farmer. To this the Department of Agriculture has contributed tremendously through research, education, technical help, economic aid, and other services.

The health and welfare of the American people and the growth of our Nation during the past century is largely the result of the creation of the most efficient and productive agricultural enterprise ever known to man.

MANY AGRICULTURAL PROBLEMS FACE THE NATION

Despite this outstanding record of performance, the farmers of the Nation are still faced with many difficult problems. These problems have a direct effect on all of the American people.

The cost-price squeeze is becoming more acute year after year. During the past 10 years, the farmer's share of the retail food dollar declined from 49 cents in 1951 to 38 cents in 1961, a reduction of nearly one-fourth. During this same period, cash receipts from farming remained constant while production costs went up each year. As a result, net income to farmers decreased from a high of \$15.3 billion in 1951 to \$11.6 billion in 1960, a reduction of over 25 percent. It recovered slightly to \$12.7 billion in 1961. This reduction in rural purchasing power has had a depressing effect on industry and labor during these years.

Also, as our farm population has declined and the number of farm units has decreased, the size of farms and financial risk has increased substantially. The average investment required to farm increased nearly 600 percent in 20 years, from \$6,094 in 1949 to \$34,648 in 1960 and \$35,425 in 1961. During this same period, the farm debt increased from \$9.6 billion in 1940 to \$22.9 billion in 1960 and \$24.1 billion in 1961.

Further, the vagaries of weather and the threats to crops and livestock from insects and diseases continue to cost the Nation billions of dollars annually and continue to increase the financial risk to the farmer. Half a century ago, a farmer could survive as many as seven crop failures in a row. With the tremendous financial risks involved in present-day farming, the loss of a crop for a single year can result in bankruptcy for many farmers.

Cash returns to the farmer must include a proper return for first, investment; second, management; third, labor; and fourth, risk. Unless cash returns are sufficient to provide for all four, the land will be depleted, farm purchases will decline, and, judging by history, the general economy will suffer.

Perhaps the most serious problem facing agriculture today is the failure of the American consumer to fully understand the farmer's problems and to realize that the economic strength of the entire Nation is dependent upon a healthy agriculture, with its tremendous purchasing power, constituting by far the biggest market for labor and industry.

AGRICULTURE—KEY TO HIGH STANDARD OF LIVING

In recent years the United States has been spending large sums of money to maintain its position in the world and support its defense and defense related activities at home and abroad. For the coming fiscal year, we will use an estimated 69 percent of our Federal budget for national defense, international programs, space activities, and the care of war veterans. Some 4 million persons will be in active or reserve military status. In addition, millions of people will be employed in supporting this vast army, producing planes, submarines, ships, missiles, and other defense requirements.

The public debt has been increasing year by year as a result of these and other Federal expenditures. The public debt of \$257 billion in 1950 increased to \$286 billion in 1960. It is expected to increase further to \$295 billion by June 30, 1963. A total debt ceiling of \$308 billion was recently adopted by the House.

Though we have been and are now suffering some inflation as a result of these pressures on our economy, our standard of living has continued to be the highest ever enjoyed by the people of any nation in history.

We have been able to carry such a heavy financial burden and the resulting inflation, without decreasing our standard of living, because fewer and fewer people are producing more and more food and fiber, which releases more and more of our population for other purposes.

When this country was young, 90 percent of the people lived on the farm. Most of them had to produce their own food and fiber with the plow and the hoe. Today, about 10 percent of our people live on the farm, with less than 4 percent working in the fields to produce enough to feed our entire population.

It now takes so few of us to produce the food, clothing, and shelter for the rest of us, that the rest of us can provide the highest standard of living ever known for all of us.

HEALTHY AGRICULTURE ESSENTIAL TO ENTIRE ECONOMY

The economic welfare of each segment of the Nation's economy is dependent on the economic strength of each of the others. Our history demonstrates that labor and industry are prosperous only when the agricultural economy is strong and healthy.

Agriculture is the principal source of new wealth. It is the main provider of basic raw materials which support all segments of business and industry. Reliable estimates indicate that each dollar of wealth taken from the soil generates \$7 of income throughout the rest of our economy.

Agriculture is our largest industry. It employs 12 times the number of people in the steel industry, 9 times the number in the automobile industry, and twice the number in the transportation and public utility industries. In addition, it supports directly another 10 percent of our nonfarm population which supplies the farmer with his needs and processes and markets his products.

Agriculture is one of the major markets for the products of industry. Agriculture uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in the country. It uses more rubber each year than is required to produce tires for 6 million automobiles. Its inventory of machinery and equipment exceeds the assets of the steel industry, and is five times that of the automobile industry.

Urban workers benefit directly from this rural demand for machinery, equipment, supplies and the other items used on the Nation's farms. Significant changes in this demand, therefore, have a direct effect on business and employment in urban areas. Every major business recession in this country has been preceded by the loss of income and purchasing power at the farm level.

It is estimated by the Department of Agriculture that, while over 78 percent of the farms produce only 28 percent of the farm products, such farms incur about 50 percent of the total production expenses. Production changes on this large number of smaller farms, therefore, can affect as much as half the agricultural market—with major consequences for labor and industry in urban areas.

This important rural market must be protected by the assurance of adequate income to the producers of farm commodities and maintenance of farm purchasing power. Business prosperity and full employment in the cities is depend-

ent on a strong and dependable agricultural market, including both large and small farms.

AGRICULTURAL PROGRAMS HAVE BROAD BENEFITS

Critics of agriculture who are not aware of the true facts frequently charge the entire cost of the Department of Agriculture to the American farmer.

These people overlook the fact that research, insect and pest control, meat and poultry inspection, school lunch and special milk programs, market inspection, fruit and vegetable inspection, soil conservation, flood prevention, watershed protection, and many other programs of the Department have direct benefits to every person living in the United States and to future generations. They disregard the fact that many segments of our economy other than the farmer are important beneficiaries of our farm programs—in fact they receive more than 50 percent of each consumer dollar spent for food.

Several years ago, in cooperation with officials of the Department, a special analysis was made of the benefits received by the general public from Federal funds spent for agriculture. It was determined that, of the funds expended by the Department of Agriculture for fiscal year 1960, over 54 percent had benefits to the general public of equal importance to those for the farmer. A similar study made this year shows the same to be true for the funds appropriated to the Department for fiscal year 1962.

It is important, therefore, that everything possible be done during this centennial year for agriculture to fully inform every person in the Nation of the problems facing the American farmer and the value of agricultural programs to all Americans. It is essential that everyone work together for sound legislation and adequate funds to conduct our agricultural programs for the maximum benefit of all segments of our population.

In no other nation in the world's history have less than 10 percent of the people been able to feed and clothe the entire population. In no other nation have the consumers enjoyed such a plentiful supply of wholesome and nutritious food at such a low cost. In few other nations in history have the terrors of famine been replaced by problems of surplus.

Unless all groups interested in agriculture work together to make it possible for our rural population to earn a satisfactory living, it is conceivable that the time could come when some of the 90 percent nonfarm population will again have to return to the soil to obtain their food supply.

THE EUROPEAN COMMON MARKET

Another important development facing American agriculture in the coming years, as well as other segments of our economy, is the growth of the Common Market in Europe. The Common Market countries—France, Germany, Italy, Belgium, the Netherlands, and Luxembourg—with a population of 170 to 180 million people, represent one of the world's largest trading communities. In 1960, the Common Market share of

total U.S. farm exports amounted to \$1.1 billion, about 22 percent of the total.

Considerable progress has been made by the six member nations in removing tariffs and trade restrictions on industrial goods among themselves. Progress in the area of agricultural trade has been slower, however, since barriers are much greater and differences are much more difficult to resolve. This holds some hope for continued markets in Europe for U.S. agriculture.

The most significant recent development has been the application of the United Kingdom, Denmark, and Ireland for membership in the Common Market. The United Kingdom has long been the number one foreign market for U.S. agricultural commodities. In 1960 U.S. exports to the United Kingdom totaled around \$500 million, some 10 percent of total U.S. agricultural exports that year.

It is impossible to foresee the ultimate effect of the Common Market on American agriculture. Its importance is obvious when it is realized that about 32 percent—\$1.6 billion—of all U.S. agricultural exports in 1961 went to the United Kingdom-Common Market area.

The Department of Agriculture estimates that the production from one out of every six acres harvested in the United States goes into export trade. The possible exclusion of the United States from the European market for certain commodities, or even a decrease in U.S. imports into the area, could force a serious reduction in U.S. production, with its many economic problems for this country.

It is essential, therefore, that American agriculture be kept economically strong during this period when it must adjust to meet developments of the Common Market. It is important that our legislative and appropriation bills be designed to keep our farm industry in a strong economic position. It is necessary that the Congress, the executive branch, and representatives of agriculture work together to keep U.S. commodities in the European market on a competitive basis. It is of primary importance that U.S. agricultural interests be actively represented in Common Market negotiations and that they continue their market development and sales promotion activities in this important market.

PERSONNEL REQUIREMENTS

Average annual employment in the Department of Agriculture—exclusive of the Forest Service which is no longer financed from funds carried in this bill—has increased from 47,793 in fiscal year 1954 to an estimated 63,428 in fiscal year 1962. This is a total increase of 15,635 full-time positions, nearly 33 percent.

Recognizing the need to limit further personnel expansion in the Department, funds recommended in the bill for additional employees in the next fiscal year have been held to an absolute minimum. Further, in several instances, agencies are being required to provide a large part of the funds needed to finance additional personnel by making offsetting reductions in other expenditures.

The committee is aware that continued personnel expansion is not the answer to the problems facing American agriculture. It feels that most of the agencies of the Department should meet their new and additional program requirements next year within existing funds and personnel.

The 1963 budget, as amended by estimates in House Document No. 447 and screwworm eradication estimates, would provide a net increase of 1,940 man-years of employment for the next fiscal year. The committee has reduced that number by 826—43 percent—and recommends funds for only 1,114 additional positions—some of which will be only temporary—for the following purposes deemed to be most essential to the health and welfare of the American people:

Agricultural Research Service:

To staff new research laboratories previously authorized by Congress and now ready for operation.....	215
To strengthen the control of plant and animal diseases, including hog cholera and screw-worm eradication.....	421
To increase meat inspection.....	113
Total.....	749

Soil Conservation Service:

To provide technical assistance to new soil conservation districts....	69
To expand the small watershed protection program (Public Law 566) ..	299
To increase the Great Plains conservation work.....	24
Total.....	392

Statistical reporting service: To continue the long-range program for improvement of crop and livestock estimates

108

Agricultural Marketing Service:

To extend and modernize market news service and studies.....	5
To strengthen grain grading.....	18
To increase poultry inspection.....	65
To strengthen administration of Packers and Stockyards Act.....	15
To increase warehouse inspection..	6
Total.....	109

Foreign Agricultural Service: To strengthen representation on trade groups and European Common Market.....

10

General administration:

To increase assistance to Secretary, Under Secretary, and Assistant Secretaries.....	7
To establish new audit and investigation unit and increase examination and control of budgets.....	29
Total.....	36

Total increase.....	1,404
Less: Personnel reductions proposed for CCC and other agencies.....	290
Net increase.....	1,114

These figures do not include an additional seven positions needed for rural areas development work.

REQUESTS FOR ADDITIONAL PROJECTS

Numerous Members of Congress and others appeared before the committee again this year on behalf of projects and programs of importance to their areas.

Most of these proposals have real merit and would make a valuable contribution to agriculture and the American consumer. However, they would increase the budget by nearly \$300 million in total.

The committee is aware of the needs represented by these proposals and would like to be in a position to provide the necessary additional funds requested. As pointed out earlier, however, a special effort has been made this year to hold down personnel expansion in the Department. Increases have been allowed only in those areas where additional funds and personnel are absolutely necessary to staff new laboratories already constructed and meet other program commitments which cannot be deferred or eliminated.

The Department is requested to review the testimony presented to the committee and make a thorough study of the need for and importance of the various proposals made. To the maximum possible extent the Department should give attention to these needs within the funds and personnel allowed for the next year. In most of these areas, the Department is already spending large sums. The committee feels that redirection and change of emphasis would meet many of these additional needs.

The Administrator of the Agricultural Research Service should take the additional research proposals totaling nearly \$5 million into consideration in allocating funds from his contingency research fund, which is authorized again this year. Also, the Department should consider these various projects in connection with the preparation of future budgets. Most of these proposals are the result of urgent needs felt at the local level and, therefore, should be given high priority in planning and conducting future operations. An example of this is the great need in the Southwest for additional research on the recharging of underground water supplies. Other examples include research on dogfly control along the gulf coast and tick eradication in Arkansas.

AGRICULTURAL RESEARCH SERVICE

The Agricultural Research Service was established by the Secretary of Agriculture on November 2, 1953, under the authority of the Reorganization Act of 1949—5 U.S.C. 133z-15—the Reorganization Plan No. 2 of 1953, and other authorities. It conducts farm, utilization, nutrition, and consumer use research, plant and animal disease and pest control and eradication activities, and operates the meat inspection service. The Administrator of this Service is also responsible for the coordination of all research of the Department.

For "Salaries and expenses," the committee recommends \$159,764,500 for fiscal year 1963, an increase of \$3,250,000 over appropriations for fiscal years 1962 and a reduction of \$2,461,000 in the budget request.

The committee approves program increases of \$6,500,000 for the coming year, including \$900,000 for staffing and operating new research laboratories, \$100,000 to develop a process for removing strontium 90 from milk, \$4,500,000 for various

plant and animal disease and pest control programs, and \$1 million for meat inspection.

The committee recommends, however, that half of these increases be financed from existing funds. Since 1954, this appropriation has increased 143 percent, while expenditures for travel, transportation, communications, rents, supplies and equipment have increased an average of 210 percent. A reduction of these "Other object" expenses to bring them in line with the rest of the appropriation should provide the balance of funds needed to finance the total increases approved for the coming year.

The additional \$4,500,000 for animal disease and pest control programs includes \$300,000 for additional plant and animal inspection at ports of entry to prevent introduction of diseases and pests from abroad, \$200,000 to increase registration and enforcement under the Federal Insecticide, Fungicide and Rodenticide Act; \$1,500,000 for hog cholera eradication, and \$2,500,000 for screw-worm eradication in the Southwest. Since reporting our bill, funds for screw-worm eradication have been provided in the second supplemental adopted yesterday. Therefore, I will offer an amendment later to eliminate these funds from this bill.

Of the amount provided for hog cholera eradication, \$100,000 should be used to determine more effective methods of identifying and combating the disease. In carrying out the eradication work, the Department should coordinate it as far as possible with similar activities for control of brucellosis and tuberculosis in animals, making use of trained and experienced personnel. The Department is urged to make certain that the indemnities are paid only after compliance with all applicable laws and regulations of both the State and Federal Governments.

The committee wishes to express again its concern that, though meat has already been officially inspected and passed for wholesomeness, public funds are also being expended for inspecting processed food products which contain portions of such inspected meat. This inspection deals primarily with such things as composition and ingredients of prepared meat products and is of primary value to the trade in the form of "Government inspected" labels. The committee points this up since the cost of meat inspection has increased from \$9 million in 1947 to over \$24 million in 1962, an increase of nearly 170 percent in 15 years. Unless some changes in inspection procedures and coverage are made, the potential cost of meat inspection will soon expand far beyond reason. In this connection, the Department is requested to make a special study to determine to what extent it can certify State meat inspection services and license them to inspect meat which moves in interstate commerce.

For the "Special foreign currency program," the full budget estimate of \$5,265,000 is recommended for the coming year, the same amount as was provided for fiscal year 1962. No additional employees are provided for.

Oversea research carried out under sections 104(a) and 104(k) of Public Law 480 is financed by foreign currencies in amounts authorized in this bill. It supplements and complements that financed by regular dollar appropriations elsewhere. It is not intended to duplicate or displace other research conducted by the Department or its cooperators.

With funds available for this program, particular attention should be given to dietary utilization research designed to improve the quality of wheat and wheat products for both the domestic and export markets.

For "Construction of facilities," the committee recommends an appropriation of \$760,000 for fiscal year 1963, which is \$40,000 less than was provided for 1962 and is a decrease of \$920,000 in the budget request.

The amount provided includes \$450,000 for the replacement of outmoded poultry research facilities at East Lansing, Mich., \$150,000 for modernization of three livestock import inspection stations along the Canadian border, and \$160,000 for renovation and improvement of the heating, water, and electrical systems at the Agricultural Research Center at Beltsville.

Due to the need to curtail appropriations and personnel in this bill, no funds have been included for the planning or construction of any new facilities in the next year.

Facilities provided in 1939 at East Lansing, Mich., for research on avian leukosis, consisting largely of temporary wooden buildings, are wholly inadequate to effectively investigate the disease as it is known today. This disorder continues to be the most destructive disease of poultry in the Nation. Annual losses to the poultry industry approximate \$65 million.

Between July and December 1961, 408,000 head of livestock were inspected at ports of entry along the Canadian border. A major problem at ports of entry is the provision of facilities which will permit adequate inspection despite inclement weather. At Portal, N. Dak., where a greater number of animals is being inspected than at any other single port along the Canadian border, the facilities consist of open, unprotected stock pens. At Blaine, Wash., and Houlton, Maine, the present facilities are equally inadequate and there is an urgent need for modern facilities. Blaine, Wash., is expected to become a major terminal point for traffic along the Alcan Highway as it becomes more frequently traveled.

Most of the facilities at the Agricultural Research Center were provided 20 or more years ago. The staff at the Center has increased considerably since then. More and more equipment with greater power, water, and heating demands has been installed. Depreciation and obsolescence have taken their toll. As a result there is critical need for modernization and improvement of facilities at that location.

COOPERATIVE STATE EXPERIMENT STATION SERVICE

The Cooperative State Experiment Station Service was established by Sec-

retary's Memorandum No. 1462 dated July 19, 1961, and Supplement 1, dated August 30, 1961, under Reorganization Plan No. 2 of 1953. The Service carries out first, administration of the Agricultural Experiment Stations Act of August 11, 1955—Hatch Act of 1887, as amended, 7 U.S.C. 361a—361i—second, payments under section 204(b) of the Agricultural Marketing Act of 1946—7 U.S.C. 1623—to State agricultural experiment stations; and third, grants to nonprofit institutions for support of basic scientific research under the act approved September 6, 1958—42 U.S.C. 1891—1893.

The full budget estimate of \$38,207,000 is provided for this program for fiscal year 1963. The increase of \$2 million over fiscal year 1962 is approved to meet the increasing costs of the research programs of the State institutions, which are going up at a rate of 6 percent per year. Salaries of scientists and supporting personnel are one of the major items of increased cost which must be provided for. No increase in Federal employment is involved.

Through the years the land-grant colleges have played a major role in the Nation's total agricultural research effort. The tremendous advances in agricultural technology during the past century are due in large measure to the outstanding research accomplishments of this program. For every dollar of Federal funds appropriated, States and local institutions have provided between \$3 and \$4 of financial support. In addition the land-grant colleges provide the physical plant and assume the major maintenance and administrative costs.

EXTENSION SERVICE

Cooperative agricultural extension work was established by the act of May 8, 1914, as amended by the act of June 26, 1953—7 U.S.C. 341—348—and the act of August 11, 1955—7 U.S.C. 347a. The legislation authorizes the Department of Agriculture to give, through the land-grant colleges, instruction and practical demonstrations in agriculture and home economics and related subjects and to encourage the application of such information by means of demonstrations, publications, and otherwise to persons not attending or resident in the colleges. Extension educational work is also authorized under the Agricultural Marketing Act of 1946—7 U.S.C. 1621—1627.

Through the years, the Cooperative Extension Service, in cooperation with the land-grant colleges, has made a significant contribution to the advancement of agriculture throughout the Nation. The county extension agent and other extension personnel are generally recognized as the primary source of information and assistance to the farmer in meeting his farm, home, and community problems.

State and county extension work is financed from Federal, State, county, and local sources. These funds are used within the States for the employment of county agents, home demonstration agents, 4-H Club agents, State specialists and others who conduct the joint educational programs adapted to local problems and conditions.

The committee recommends the full budget request of \$60,590,000 for the coming fiscal year for payments to States. The increase of \$1 million over the 1962 appropriation will be allocated to the States under section 3(c) of the Smith-Lever Act to meet increased salary costs of personnel engaged in the program. No increase in Federal personnel is involved.

As in previous years, the committee recommends that these funds be used primarily to maintain competitive salary levels for county extension agents and home demonstration workers. The increased complexities of present-day agriculture make well-trained and highly qualified extension personnel more essential than ever.

The Federal Extension Service provides for leadership counsel and assistance to the 50 States and Puerto Rico. As of May 31, 1962, there were 239 employees in this organization, 230 of whom were headquartered in Washington.

The committee recommends the 1962 appropriation level of \$2,464,500 for the coming fiscal year, a reduction of \$260,000 in the budget estimate. This will keep Federal employment at current levels. The committee does not object to the employment of additional experts to provide leadership in such areas as 4-H Club programs, farm management, farm housing, and marketing, provided the necessary funds are obtained by not filling other positions as they become vacant.

FARMER COOPERATIVE SERVICE

The Farmer Cooperative Service was established following the enactment of the Farm Credit Act of 1953—Public Law 202, August 6, 1953—which transferred the research and technical assistance work for farmers' marketing, purchasing and service cooperatives, under the Cooperative Marketing Act of 1926 from the Farm Credit Administration to the Secretary of Agriculture.

The Service conducts research, advisory, and educational work with cooperatives on problems of organization, financing, management policies, merchandising, costs, efficiency, and membership to help farmers who are members of such organizations improve the operations of their businesses. It cooperates with the extension service, land-grant colleges, banks for cooperatives, State departments of agriculture, and other agencies to bring about better understanding and application of sound cooperative principles and practices. It also advises other Federal agencies on problems relating to agricultural cooperatives.

The sum of \$657,000 is provided for fiscal year 1963, a reduction of \$100,000 in the budget estimate. This is the same amount as was provided for 1962, which will permit no increases in personnel. This action does not deny funds for the additional work proposed for 1963. It merely requires that new positions established for these purposes be financed by not filling other positions as they become vacant during the year.

SOIL CONSERVATION SERVICE

The Soil Conservation Service was established by the act of April 27, 1935—16 U.S.C. 590a—590f. It assists soil con-

servation districts and other co-operators, watershed groups, and Federal and State agencies having related responsibilities in bringing about physical adjustments in land use that will conserve soil and water resources, provide for agricultural production on a sustained basis, and reduce damage by floods and sedimentation.

Soil conservation assistance has been provided for 20 new districts organized during the 1962 fiscal year. It is expected that an additional 23 districts will be created during fiscal year 1963, which will bring the total number of districts to 2,943 by June 30, 1963.

The committee recommends an appropriation of \$90,280,000 for the next fiscal year, for conservation operations an increase of \$644,000 over the 1962 appropriation, and a reduction of \$445,000 in the budget request. This increase will provide additional technicians to provide assistance to the 23 new districts expected to be organized during the coming year. The majority of the members of the committee feel that this need is much more urgent than those proposed in the budget request.

The bill carries the full budget request of \$60,585,000 for the coming fiscal year, an increase of \$6,839,000 over funds provided for 1962 for watershed protection.

At the beginning of the fiscal year 1963, it is estimated that installation of works of improvement will be underway in 384 Public Law 566 projects. Another 120 are expected to be approved for operations during the year. It is estimated that about 30 of these will not require funds during the year because of late approval or having no work scheduled. This will leave a total of 474 projects requiring funds. About 198 of these will be receiving advance engineering and technical assistance only, at a cost of \$5,260,000. This involves preparation of plans, designs, and specifications for structural measures and the installation of land treatment measures required before construction starts. The remaining 276 projects will be under construction. An estimated 60 of these will be new construction starts requiring about \$18,200,000 during the year. About 181 projects begun in prior years will require an estimated \$23,342,000. All work will be completed on an estimated 35 projects during the year at a cost of \$2 million in 1963, making a total of 83 projects which will be completed by the end of the fiscal year 1963.

The amount provided includes \$5,500,000 for investigations and planning. In view of the many requests which have been received for planning of specific watershed projects, the committee recommends the use of additional funds for these purposes if necessary to meet the urgent demands in many areas.

In addition, the recommended appropriation includes a total of \$2,283,000 for surveys and investigations of water resources. This amount will permit the establishment of eight additional survey parties in fiscal year 1963 to initiate co-operative surveys in eight river basins, including the Genessee River in New York; the Elkhorn and Big Blue Rivers in Nebraska; the Meramec River in Mis-

souri; the Poteau River in Oklahoma and Arkansas; the Willamette River in Oregon; Florida West Coast tributaries in Florida; the Ohio River in Pennsylvania, New York, West Virginia, Virginia, Tennessee, Kentucky, Ohio, Indiana, and Illinois; and the Red River in Louisiana, Arkansas, Oklahoma, and Texas.

In order that such studies may serve their maximum usefulness, the resources and talents of the various agencies of the Department, including the Soil Conservation Service, the Economic Research Service, the Farmers Home Administration, and the Forest Service should be utilized under the general direction of the Assistant Secretary for Federal-State Relations. Further, these efforts should be coordinated fully with the work of the Corps of Engineers and other Federal, State, local, and private agencies to develop a comprehensive plan which will give full recognition to all economic potentialities as well as economic interests in the areas concerned.

For "Flood prevention," the committee recommends an appropriation of \$25 million for the next fiscal year, the same amount as was provided for fiscal year 1962. The personnel requirements will also remain the same.

As has been pointed out in previous years, the progress on the 11 major watersheds financed by this appropriation is far behind the program authorized in 1944. It was originally estimated that these projects would be completed in about 15 years. The overall program is still less than half finished some 18 years later. Local sponsors of these projects are meeting their part of the responsibility at increasing rates, and greater progress can be made in the future, provided adequate Federal appropriations are available. In view of constantly rising costs, it is important that these projects be completed at the earliest possible date.

The bill includes \$12 million for fiscal year 1963, for "Great Plains conservation program," a decrease of \$1 million in the budget request. The increase of \$1,833,000 over 1962 will provide for 450 cost-sharing contracts in addition to the approximately 1,900 covered by the 1962 appropriation.

By December 31, 1960, a total of 365 counties had been designated for assistance under this program. There are 57 remaining counties which may be proposed for designation, of which 8 to 10 are expected in fiscal year 1963.

ECONOMIC RESEARCH SERVICE

The Economic Research Service was established by Secretary's Memorandum No. 1446, Supplement No. 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service develops and carries out a program of economic research designed to benefit farmers and the general public. The findings of this research are made available to farmers and others through research reports and through economic outlook and situation reports on major commodities, the national economy, and the international economy.

An appropriation of \$9,410,000 is recommended for the next fiscal year, the same amount as was provided for 1962

and a decrease of \$1,030,000 in the budget estimate. In view of the need to keep personnel at present levels, no additional funds or personnel are recommended for this agency at the present time.

STATISTICAL REPORTING SERVICE

The Statistical Reporting Service was established by Secretary's Memorandum No. 1446, Supplement 1, of April 3, 1961, under Reorganization Plan No. 2 of 1953, and other authorities. The Service was created to give coordinated leadership to the statistical reporting research and service programs of the Department. It provides a channel for the orderly flow of statistical intelligence about the agricultural economy of this country. The primary responsibilities of this Service are the nationwide crop and livestock estimates, coordination and improvement in the Department's statistical requirements, and special surveys of market potentials for agricultural products.

The committee recommends an appropriation of \$9,518,000 for the next fiscal year, a reduction of \$175,000 in the budget request. The increase of \$760,000 is provided to continue the long-range program for improvement of crop and livestock estimates, including the establishment of quarterly pig crop reports in the Midwest and including forecasting services for grapes and lemons in California on a matching basis.

In 1961, \$750,000 was provided to inaugurate a 3- to 4-year program to improve the accuracy of crop and livestock estimates. The program was started in 15 Southern and North Central States that year. With an additional \$500,000 appropriated for fiscal year 1962, the program has been extended to five additional Corn Belt States—a total of 20 States. It is hoped that the increase recommended for next year will permit expansion to a total of 24 States, covering most of the cotton and corn producing areas.

AGRICULTURAL MARKETING SERVICE

The Agricultural Marketing Service was established November 2, 1953, under authority of section 161, Revised Statutes—5 U.S.C. 22—Reorganization Plan No. 2 of 1953, and other authorities.

The bill for fiscal year 1963 includes \$38,857,000 for "Marketing research and service," a decrease of \$1,628,000 in the budget estimate and an increase of \$587,500 over the 1962 appropriation.

The committee approves program increases of \$1,175,000 for the coming year, including \$250,000 for market studies and expansion of the market news service, \$165,000 to strengthen supervision of grading under the Grain Standards Act, \$500,000 for increased poultry inspection, \$200,000 for more effective administration of the Packers and Stockyards Act, and \$60,000 for increased inspections of licensed warehouses.

It recommends, however, that half of this increase be financed within existing funds. Since 1954, expenditures for travel have increased at twice the rate of other items covered by this appropriation, from \$898,000 to \$2,633,000. A reduction in travel expenses to bring them in line with other expenditures covered by this appropriation should provide the

additional funds needed to finance the total increases approved for the next year.

The increase recommended for market studies and the market news service includes fund for food marketing improvements, modernization of the leased wire service, and extension of market news coverage to areas where States will have matching funds available in the coming year. The need for additional grain marketing news in Illinois and the Western States, for an additional livestock marketing news in North Dakota, and for a study of food marketing facilities in Chicago, have been brought to the committee's attention. In this connection, attention should be given to the possible need to change the reporting base for pork products from Chicago to a point farther west in view of changes in marketing of hogs and movement of hog population.

The United States is competing in a world grain market which is becoming increasingly quality conscious. U.S. competitors, by emphasizing the quality of grain they deliver, are steadily improving their relative position. Increased surveillance by the Department is imperative if U.S. grain is to continue to meet competition in the world markets. The increase of \$165,000 is provided to assure as far as possible that future U.S. grain exports are of the quality required to preserve our export markets.

Based on trends in recent years, poultry production can be expected to continue to increase. Present estimates are that production in 1963 will be about 17 percent above 1961. An increase of \$500,000 for the next fiscal year is provided to meet this additional workload.

The additional \$200,000 recommended for administration of the Packers and Stockyards Act is provided for supervision and investigation of operations and business practices of the meat industry. In the use of these funds the Department should give attention to differences in operating practices of markets of different types and sizes, especially the small country yards which must have the right to provide a market for their suppliers by buying the livestock which fails to sell through the regular auction procedures. This and other differences creates special financial and operating problems which require special rules and regulations.

The committee's attention has been called to some recent instances where convenience of the private business operators is ignored in the simplest investigation. On one occasion, a dealer was required to travel several hundred miles for an interview which could have been conducted much more satisfactorily at his place of business. While close supervision of operations under this act is necessary, such actions can result in unnecessary harassment and agitation of livestock dealers and others. The Department is requested to insist that personnel engaged in this work keep in mind at all times that they are public servants as well as enforcement agents.

The increase of \$60,000 for warehouse inspections will be applied principally to

grain storage facilities. It would make it possible to examine existing licensed grain warehouses more frequently, to respond more promptly to requests for examination of new warehouses coming into the program, and to make special examinations which require immediate attention.

An appropriation of \$1,600,000 was requested for the construction of a peanut marketing research facility at Dawson, Ga. Subsequent to the submission of the budget estimates for this item, representatives of many of the major peanut production, processing and marketing organizations in the country appeared before the committee. Apparently wide differences of opinion have developed within the industry as to the need for a centralized research facility and where it should be located. The committee feels that further action on this request should be deferred until leaders of the peanut industry can come to some agreement on the type of research program needed and the proper location for additional facilities proposed.

Further, it should be noted that approximately \$806,000 is now being spent each year for research on peanuts at 16 Department of Agriculture facilities and 7 State experiment stations. Approximately \$300,000 of this amount is being used for utilization and marketing research, the same general area of research proposed for the new facility. The Department should make certain that existing peanut research facilities are being used fully and effectively before funds for an additional research laboratory are requested.

For "Payments to States and possessions," the budget estimate of \$1,325,000 is recommended for fiscal year 1963, the same amount as was appropriated for fiscal year 1962. No expansion of Federal personnel is provided for. Additional funds provided last year to enable several States such as Missouri to participate in the program on a matched-funds basis are continued available in the 1963 bill.

Federal payments, authorized by section 204(b) of the Agricultural Marketing Act of 1946, are made under cooperative agreements between the U.S. Department of Agriculture, State departments of agriculture, Bureau of Markets, and similar State agencies for the conduct of eligible marketing service activities on a matching fund basis. The States contribute at least half of the costs and perform the work with State personnel. In formulating the 1963 program, consideration should be given to the need to develop grades and standards for Kona coffee in Hawaii.

For the "Special milk program," the budget estimate of \$105 million is included in the bill for fiscal year 1963. Since its inception in 1955, the special milk program has been financed through advances from Commodity Credit Corporation funds. During this time, the authorization has been amended several times to extend the period, broaden the coverage, and increase the level of funds authorized. Public Law 87-67, enacted

June 30, 1960, authorized \$105 million for fiscal year 1962.

The Agricultural Act of 1961—Public Law 87-128—approved August 8, 1961, changed the financing of the program to a direct appropriation beginning July 1, 1962, and each of the 4 fiscal years thereafter. This appropriation, which is included as a separate item under this Service for the first time, will provide for continuation of the program in fiscal year 1963 at the same level as was authorized for 1962. There will be a corresponding decrease in the budget for the Commodity Credit Corporation for next year. No additional personnel is required.

For "School lunch program," the committee recommends the full budget request for an appropriation of \$125 million, plus a transfer of \$45 million from section 32 funds for the purchase of meats and other foods needed to provide balanced school lunches. This is a continuation of amounts approved for fiscal year 1962. No change in employment is contemplated.

The sum of \$10 million has been earmarked by language in the bill to provide special commodity assistance to schools in depressed areas serving meals to needy children. The language also authorizes the Secretary to prescribe standards for distribution and administration of such commodities.

The recent change in the formula which bases the distribution of funds to the States on the number of meals served rather than schoolage population, should also help to meet the needs in those areas with low income and heavy program participation.

FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service promotes the export of U.S. farm products and represents the Department and U.S. agriculture abroad. It conducts foreign market development programs and collects and disseminates to U.S. agriculture the basic information essential to aggressive foreign marketing of U.S. agricultural products and to making necessary adjustments to meet changing situations abroad.

The bill for the next fiscal year includes a total of \$19,262,000 for "Salaries and expenses," \$16,145,000 by direct appropriation and \$3,117,000 by transfer from section 32 funds. This is a net decrease of \$2,579,000 in the budget request for fiscal year 1963, and an increase of \$3,100,000 over funds provided for fiscal year 1962.

The increase recommended includes \$100,000 to strengthen the Department's representation on various interdepartmental trade groups, including GATT—General Agreement on Tariffs and Trade—and the European Common Market. It also includes an additional \$3 million to finance market development programs abroad.

Continued success of the U.S. program for expanding agricultural exports depends on ability to cope with protectionist trade policies of other countries. Each year sees more rapid progress in the creation of numerous foreign trading units such as the European Common Market. Expansion of U.S. exports re-

quires increased efforts to obtain liberalization of trade in foreign markets and to keep U.S. agriculture well represented in other countries.

A sizable part of the Public Law 480 market development work abroad is carried out in countries where foreign currencies are no longer available. In these countries, it is necessary to finance market development work through regular funds carried in this appropriation. An additional \$3 million is included here for next year to keep the market development program at the 1962 level of operation. This is necessary, since an unobligated carryover of \$3,554,229 from 1961 into 1962 will not be available in 1963.

The budget estimate of \$4 million is proposed for next year for market development abroad using excess local currencies, an increase of \$1,144,000 over the 1962 appropriation. Dollar funds provided by this appropriation are available for the purchase of foreign currencies generated under Public Law 480 in countries where available balances are in excess of normal U.S. requirements. The projects proposed to be financed from those funds in fiscal year 1963 will be in nine countries, including Burma, India, Indonesia, Israel, Pakistan, Poland, Egypt, Syria, and Yugoslavia. No personnel changes are contemplated.

COMMODITY EXCHANGE AUTHORITY

The Commodity Exchange Authority administers the Commodity Exchange Act of September 21, 1922, as amended. The objectives are to prevent commodity price manipulation and market corners; prevent dissemination of false and misleading crop and market information affecting commodity prices; protect hedgers and other users of the commodity futures markets against cheating, fraud, and manipulative practices; insure the benefits of membership privileges and contract markets to cooperative associations of producers; insure trust fund treatment of margin moneys and equities of hedgers and other traders and prevent the misuse of such funds by brokers; and provide information to the public regarding trading operations and contract markets.

The bill carries the full budget request of \$1,022,000 for fiscal year 1963, an increase of \$15,000 over 1962. No increase in personnel is provided for.

The Commodity Exchange Authority is a small agency with an average of only 126 employees. Because of the low personnel turnover, the increase of \$15,000 for 1963 is required for mandatory within-grade salary advancements which cannot be met otherwise.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The Agricultural Stabilization and Conservation Service was established by the Secretary of Agriculture on June 5, 1961, under the authority of Reorganization Plan No. 2 of 1953, in accordance with the Reorganization Act of 1949, as amended—5 U.S.C. 133z.

For "Acreage allotments and marketing quotas," an appropriation of \$44,098,000 is included in the bill for fiscal year 1963,

the same amount as was provided for fiscal year 1962. Personnel will remain at present levels.

Acreage allotment and marketing quota programs have been announced for the 1962 crops of Flue-cured tobacco, peanuts, wheat, upland cotton, extra long staple cotton, and rice. Quotas were proclaimed on February 1, 1962, for burley, Fire-cured, Dark Air cured, Virginia Sun-cured, Cigar binder, Cigar filler and binder, and Maryland tobaccos.

The Agricultural Act of 1961 provides for a mandatory reduction of 10 percent in individual farm allotments for the 1962 crop of wheat. The act also provides for payments to producers who increase their acreage of soil-conserving crops by a definite minimum amount. In addition to the mandatory 10-percent reduction, producers may divert additional wheat acreage to soil-conserving uses.

For "Sugar Act program," the committee recommends the full budget estimate of \$80 million for the next year. No personnel changes are involved. The increase of \$2 million over 1962 is provided to meet increased payments to domestic producers due to an estimated increased production in 1962. Total sugar production from the 1962 crops in the domestic areas is estimated at 6,115,000 short tons, an increase of 567,000 tons over 1961 production.

Payments are made to domestic producers of sugarbeets and sugarcane who comply with certain special requirements. To finance these payments, a tax of 50 cents per hundred pounds is imposed on all beet and cane sugar processed in or imported into the United States for direct consumption. During the period 1938-61, collections of \$2,226 million from excise taxes and imports have exceeded payments under the program by \$448.2 million.

An appropriation of \$242 million is recommended for fiscal year 1963 to make payments earned under the "Agricultural conservation program," authorized in the 1962 Appropriation Act. This is an increase of \$4 million over the funds appropriated in fiscal year 1962 to finance the 1961 program. This does not provide for any personnel increases.

The committee also restored the 1963 program authorization contained in this bill to the usual \$250 million operating level. In 6 of the past 9 years, the Congress has been called upon to restore budget cuts proposed in this authorization.

Through the years, the agricultural conservation program has been the Federal Government's principal economic stimulus to farmers and ranchers to voluntarily apply needed conservation measures. It has stimulated twice as much economic activity as the amount of Federal funds spent, since the farmer puts up about half the cost of practices, plus his labor.

Conservation practices were carried out under this program in 1961 on over a million farms and ranches, covering nearly 400 million acres. The program has over 1 million participants each year, which represents nearly 25 percent of all farming units in the United

States. The per capita annual cost is about \$1.50 and the investment per acre of farmland is 54 cents.

An appropriation of \$300 million is proposed for next year to pay off obligations incurred under 1960 and prior year conservation reserve contracts. This is \$12 million below the 1962 appropriation and \$23 million below the budget request. A small decrease in employment is contemplated.

Past experience indicates that actual fund requirements for this program are usually less than amounts projected in the annual budget requests. For example, expenditures for 1962 were \$13 million less than the original estimates. Further, this program is beginning to decrease in size as shorter term contracts expire.

It is recognized that the Government is obligated to meet its commitments under these contracts. Additional funds can be provided if and when they become necessary.

Public Law 87-5, approved March 22, 1961, authorized a special agricultural conservation program for the 1961 crop of corn and grain sorghums. The Agricultural Act of 1961, Public Law 87-128, approved August 8, 1961, continued the program for the 1962 crop of these commodities and broadened the program to include barley. The act also provided for a special program on the 1962 crop of wheat contingent upon the approval of marketing quotas for the 1962 crop of wheat. Marketing quotas were approved in a referendum held August 24, 1961.

This appropriation provides funds for administering the program, including performance checking, computing advance and final payments to producers, and handling violations involving failure to meet conservation requirements.

The bill includes an appropriation of \$15 million for this purpose in the coming fiscal year. This is a reduction of \$3,500,000 in the budget request and the 1962 operating level. This reduction, together with discontinuance of CCC financing, will result in a net decrease of 226 positions. Future personnel requirements will depend on the nature of legislation in effect for the 1963 crop year.

OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel, originally known as the Office of the Solicitor, was established in 1910—5 U.S.C. 518—as the law office of the Department of Agriculture, and performs all of the legal work arising from the activities of the Department. The General Counsel represents the Department in administrative proceedings for the promulgation of rules having the force and effect of law; in quasi-judicial hearings held in connection with the administration of various programs and acts; and in proceedings before the Interstate Commerce Commission involving freight rates and practices relating to farm commodities, including appeals from the decisions of the Commission to the courts. He serves as General Counsel for the Commodity Credit Corporation and the Federal Crop Insurance Corporation.

The committee recommends \$3,645,000 for the next fiscal year, a decrease of \$155,000 in the budget request. This amount will permit continuation of the 1962 level of operation with no change in personnel requirements.

OFFICE OF INFORMATION

The Office of Information was established under its present name in 1925 as a consolidation of functions formally organized as early as 1889, to coordinate in the Department the dissemination of information useful to agriculture as directed by the act establishing the Department of Agriculture in 1862.

The Office has general direction and supervision of all publications and other information policies and activities of the Department, including the final review, illustrating, printing and distribution of publications; clearance and release of press, radio, television, and magazine materials; maintenance of central files of news and general illustration-type photographs; and the preparation and distribution of exhibits and motion pictures. The Office publishes the Yearbook of Agriculture, the Annual Report of the Secretary of Agriculture, the Department Directory, and the Department List of Publications; handles the details of distributing farmers' bulletins allotted to Members of Congress; and services letter and telephone requests for general information received in the Department.

The full budget estimate of \$1,610,000 is included in the bill for the next fiscal year, an increase of \$19,500 over 1962. The increase is provided for two nonrecurring items of equipment needed to modernize the filing system and mailing lists and to increase radio tape duplication to meet the demand from radio stations throughout the country. No additional personnel is involved.

NATIONAL AGRICULTURAL LIBRARY

The Library, pursuant to the Department's Organic Act of 1862 and under delegation from the Secretary, procures and preserves all information concerning agriculture which can be obtained by means of books. Under the act establishing the Department, the Library also serves as the National Agricultural Library.

The Library makes available to the research workers of the Department and the State agricultural colleges, as well as to the general public, the agricultural knowledge of the world that is contained in published literature.

The 1962 appropriation of \$1,028,500 is proposed again for fiscal year 1963, a decrease of \$191,500 in the budget request. The Library has received increases in each of the past 3 years, which should meet its needs for the present. No additional personnel is provided for.

GENERAL ADMINISTRATION

The Secretary of Agriculture, assisted by the Under Secretary, the Assistant Secretaries, and members of their immediate staff, directs and coordinates the work of the Department; formulates and develops policy; maintains relationships with agricultural organizations and others in the development of farm programs; and maintains liaison with the Executive Office of the President and

Members of Congress on all matters pertaining to legislation and policy to insure effective performance of the agricultural programs of the Department.

The committee proposes an appropriation of \$3,506,000 for fiscal year 1963, an increase of \$410,000 over 1962 and a reduction of \$192,000 in the budget request.

The increase will provide \$110,000 for additional assistance to the Secretary, Under Secretary, and Assistant Secretaries. The committee believes that sufficient skilled personnel should be provided at the top level to manage an enterprise with the scope and responsibility of the Department of Agriculture. An increase of \$50,000 is included to permit more comprehensive and detailed examination and control of budgets and financial programs and an additional \$250,000 is recommended to create an audit unit directly under the Secretary to conduct special audits and investigations of all programs and activities of the Department.

Area redevelopment is a major program in the Federal budget. While the funds are not provided in this bill, more than \$119 million was recently approved for loans and technical assistance for the next year under this program. The Department of Agriculture is responsible for the program as it affects rural areas of the Nation.

The committee intends, therefore, that the Department use \$125,000 of the funds allowed under this heading for the supervision and coordination of this work in the coming year, \$90,000 under "General administration" and \$35,000 under the "Federal Extension Service." The full \$250,000 can be provided for the audit and investigation unit by the transfer of one-half of the amount needed from the agencies from which the work will be transferred, as suggested by the Department.

RURAL ELECTRIFICATION ADMINISTRATION

The Rural Electrification Administration was established by Executive Order No. 7037 of May 11, 1935, to make loans for extension of central station electric service to unserved rural people. It was continued by the Rural Electrification Act of May 20, 1936, and became part of the Department of Agriculture on July 1, 1939, under Reorganization Plan II. On October 28, 1949, Public Law 423 amended the Act to authorize loans for furnishing and improving rural telephone service.

The original 1963 budget proposed \$345 million for electrification loans and \$135 million for telephone loans. This was amended by House Document No. 447, dated June 25, 1962, to increase electrification loans to \$400 million and reduce telephone loans to \$80 million due to a change in volume of loan applications for the two programs.

The committee has included these amended amounts in the bill for fiscal year 1963. However, it has placed \$100 million of the amount for electrification loans in a contingency reserve, in accord with the practice followed for a number of years, for the use of both programs.

The repayment record of REA con-

tinues to be excellent. Since the inception of the program in 1935, loans approved have totaled over \$4.5 billion and loans advanced have reached nearly \$4 billion. As of last June 30, \$875 million of principal and \$422 million of interest had been repaid on these loans. Over \$176 million had been repaid ahead of schedule. Only one out of 1,091 REA borrowers was behind schedule at the end of 1961 and less than \$95,000 of repayments was overdue more than 30 days.

In last year's report, the committee urged the Department to establish standards to be used to determine what should be regarded as adequate reserves in considering applications for additional loans. This request was made in response to criticism of the use of such financial reserves by REA cooperatives. In response a bulletin was issued on February 12, 1962, defining and establishing standards and criteria for this purpose. The committee believes this is a fine step forward and will benefit REA in years to come.

Testimony presented in support of the 1963 budget request indicates that a larger part is requested for generation and transmission loans next year. In this connection, the committee urges that standards and criteria be developed for use in considering and approving such loans, to make certain that they are essential under the requirements of the law.

For "Salaries and expenses," the 1962 appropriation of \$10,024,000 is recommended again for fiscal year 1963. This is a reduction of \$300,000 in the budget estimate.

The committee believes that this well established organization of nearly 1,000 people should be able to meet its expected workload next year with existing funds and personnel.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration, established November 1, 1946, makes: First, direct, and insured farm ownership loans; second, direct and insured soil and water conservation loans; third, direct operating loans; fourth, direct emergency loans in designated areas where a natural disaster has caused a general need for agricultural credit which cannot be met for temporary periods of time by other responsible sources; fifth, rural housing loans and grants for building purposes pursuant to title V of the Housing Act of 1949, as amended; and sixth, watershed and flood prevention loans from funds appropriated under "Watershed protection, Soil Conservation Service" and under "Flood prevention, Soil Conservation Service."

The 1963 budget proposed a total program of \$85 million for "Rural housing grants and loans" next year. Of this amount, \$75 million for building loans is to be financed from funds made available—through the back door—in the Housing Act of 1949, as amended. The balance of \$10 million was requested as a direct appropriation to finance a new program approved last year, including \$9,500,000 for enlargement and development loans, and \$500,000 for repair and improvement grants.

At the time of his appearance before the committee on the 1963 budget, the Administrator of the Farmers Home Administration stated that only one loan had been made under this new loan program. The committee has eliminated the appropriation for next year, since sufficient money will be available during the next fiscal year from unused 1962 funds.

Pursuant to the Consolidated Farmers Home Administration Act of 1961, a direct loan account was established in fiscal year 1962. Collections of principal and interest on loans outstanding were deposited in the direct loan account and are available for principal and interest payments on borrowings from the Secretary of the Treasury and for making additional loans for: First, farm ownership; second, soil and water conservation; and, third, operating purposes. Such loans may be made only in such amounts as may be authorized in annual appropriation acts.

As of the end of fiscal year 1962, the account had a balance of \$245 million. Collections during the next year of \$275 million will make a total of \$520 million available for the year.

The bill includes authority to use up to \$325 million of this amount for loans, \$40 million for farm ownership loans, \$10 million for soil and water conservation loans, and \$275 million for operating loans. These are the same amounts as provided for fiscal year 1962 for farm ownership and operating loans. The amount for soil and water conservation loans is \$1 million less than 1962.

The bill for the next year includes a total of \$35,432,000 for the administrative expenses of this agency, \$34,382,000 of which is provided by direct appropriation and \$1,050,000 is provided as a transfer from the agricultural credit insurance fund. This is the same amount as was provided for fiscal year 1962 and is a reduction of \$618,000 in the appropriation request.

The Farmers Home Administration has 1,475 county offices serving all agricultural counties. As of May 1961 it had 4,987 full-time employees, plus 5,164 State and county committeemen on a part-time basis. It seems reasonable to believe that this large agency can meet its responsibilities in the next year with existing funds and personnel.

FEDERAL CROP INSURANCE CORPORATION

The Federal Crop Insurance Corporation is a wholly owned Government corporation created February 16, 1938—7 U.S.C. 1501—to carry out the Federal Crop Insurance Act. Its purpose is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify pro-

ducers for losses resulting from negligence or failure to observe good farming practices.

The committee recommends a total of \$9,879,000 for the operating and administrative expenses for the fiscal year 1963, \$6,549,000 by direct appropriation and \$3,330,000 from premium income. This is an increase of \$500,000 over funds provided for fiscal year 1962 and is a net reduction of \$451,000 in the budget request. No additional personnel are allowed since it is expected that new contracts will be written by private agencies on a commission basis.

The 1963 appropriation contemplates the continuation of the Corporation's current policy of more rapid expansion of the crop insurance program. Beginning in 1962 the rate of expansion was accelerated. One hundred new counties were included in the program, and insurance was offered on additional crops in many old counties. For 1963, insurance will again be offered in 100 new counties, the maximum permitted by law, and insurance on additional crops will be offered in 100 to 150 of the 1962 insurance counties.

The program will operate in 999 counties in the next year, furnishing insurance coverage of approximately \$343 million on barley, beans, citrus, combined crops, corn, cotton, flax, grain sorghum, oats, peaches, peanuts, raisins, rice, soybeans, tobacco, and wheat. It is estimated that 370,000 crops will be insured for the 1962 crop year, as compared to 320,292 for the 1961 crop year.

COMMODITY CREDIT CORPORATION

The Corporation was organized October 17, 1933, under the laws of the State of Delaware, as an agency of the United States, and was managed and operated in close affiliation with the Reconstruction Finance Corporation. On July 1, 1939, it was transferred to the Department of Agriculture by the President's Reorganization Plan No. 1. On July 1, 1948, it was established as an agency and instrumentality of the United States under a permanent Federal charter by Public Law 80-806, as amended. Its operations are conducted pursuant to this charter and other specific legislation.

The Commodity Credit Corporation engages in buying, selling, lending and other activities with respect to agricultural commodities, their products, food, feeds and fibers. Its purposes include stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balanced and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation is managed by a board of directors appointed by the President and confirmed by the Senate, subject to the general supervision and direction of the Secretary of Agriculture, who is, ex officio, a Director and Chairman of the Board. In addition, it has a bipartisan Advisory Board of five members appointed by the President to survey

the general policies of the Corporation and advise the Secretary with respect thereto.

The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion. Funds are borrowed from the Federal Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by lending agencies or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1939—15 U.S.C. 713a-4.

An appropriation of \$2,278,455,000 is included in the bill to restore capital impairment of the Corporation for the fiscal year 1961—through June 30, 1961. This amount includes \$2,066,955,000 for net realized losses on price support activities in 1961, plus \$211,500,000 to reimburse a part of realized losses due to revaluation of inventory to reflect acquisition value.

It has been Commodity Credit Corporation's practice for a number of years to treat as additions to the book value of commodity inventories the costs incurred for storage, handling and transportation of such inventories. This procedure was designed to show the full accumulated costs of the commodity inventories held by the Corporation. In recent years the book values of these inventories have increased to such large totals that there has been considerable misunderstanding as to the true value of Commodity Credit Corporation's price-support inventories.

To reflect inventory values on a more realistic basis and to provide for current recognition of carrying charges as program costs, the Corporation adopted last year the policy of recording inventory carrying charges as expenses. Accordingly, it has adjusted the book values of inventories as of June 30, 1961, to the acquisition cost of the commodities on hand.

The sum of \$211,500,000 is included in the 1963 appropriation to restore to the Corporation's operating funds over a 6-year period the \$1,269 million involved in the inventory adjustment described in the preceding paragraph. The budget proposed restoration in 3 years.

It is interesting to note that in 1960 over 58 percent of all expenditures under this program went to groups other than farm producers—to whom the full cost of the program is frequently charged in the public mind. In 1961, the ratio is approximately 50-50. However, the 1961 figure includes \$333 million for payments under the 1961 feed grain program, which are not a part of the regular price support program. If this amount is excluded from the 1961 figures, payments to nonfarm groups also exceeds 58 percent of the total in 1961.

Up to and including the fiscal year 1960 program, the Commodity Credit

Corporation included in its annual appropriation for reimbursement of net realized losses the costs of the special milk program. Public Law 86-446, approved April 29, 1960, provided that the Corporation be reimbursed for advances under this program during the fiscal year 1961 by an appropriation separate from any other appropriation or fund available to the Corporation. This separate appropriation was included in the Department of Agriculture and Related Agencies Appropriation Act, 1962, in the amount of \$90 million.

The Agricultural Act of 1961—Public Law 87-128—approved August 8, 1961, provides for direct appropriations for the fiscal year 1962, and for each of the 4 fiscal years thereafter. To reimburse the Corporation for the cost of this program for fiscal year 1962, the bill for next year carries this appropriation of \$105 million, which is the full budget estimate and is an increase of \$15 million over the 1962 appropriation.

For fiscal year 1963 and thereafter, it is proposed to appropriate funds in the regular manner under the Agricultural Marketing Service, which administers this program.

The committee recommends \$47,116,000 for the next year for administrative expenses of the Corporation. This is \$800,000 less than was provided for fiscal year 1962 and is \$884,000 less than the budget request. Of this re-

duction, \$800,000 is due to transfer of administrative costs of the special milk program to the direct appropriation requested for fiscal year 1963 under the Agricultural Marketing Service. A reduction of 31 positions is expected during the next year.

FOREIGN ASSISTANCE PROGRAMS

A number of statutes provide for the facilities of the Commodity Credit Corporation to be used in carrying out programs for the exportation of surplus agricultural commodities and authorize appropriations to reimburse the Corporation for costs incurred in connection with such programs.

Prior to fiscal year 1962, the Corporation was reimbursed for the costs of these activities by appropriations subsequent to incurrence of the costs. Beginning in the fiscal year 1962, the Congress added funds to place these activities on a pay-as-you-go basis, appropriating for estimated costs in fiscal year 1962. This year's bill includes funds for fiscal year 1963. Subsequent bills will include funds for each ensuing fiscal year on the same basis as for other programs of the Department. No personnel increases are included in any of these appropriations.

The appropriations requested and included in the bill for next year are as follows:

	1963 budget request	Recommended in bill	Reduction
Public Law 480:			
Sales for foreign currencies.....	\$1,293,000,000	\$1,080,632,000	—\$212,368,000
Emergency famine relief.....	364,000,000	250,000,000	—114,000,000
Long-term supply contracts.....	90,000,000	40,000,000	—50,000,000
Total, Public Law 480.....	1,747,000,000	1,370,632,000	—376,368,000
International Wheat Agreement.....	96,868,000	81,218,000	—15,650,000
Bartered materials for supplemental stockpile.....	343,067,000	125,000,000	—218,067,000
Total.....	2,186,935,000	1,576,850,000	—610,085,000

The amounts provided for the Public Law 480 programs are believed to be adequate to meet the needs of these programs in fiscal year 1963. The \$1,080,632,000 recommended for sales for foreign currencies is the exact amount estimated to be needed for next year's operations. The \$212,368,000 eliminated from the bill is the amount included for prior year expenditures which the committee has not allowed. As pointed out last year when these programs were put on a pay-as-you-go basis, the amounts appropriated each year should serve as general guides in the conduct of these programs.

The appropriation of \$81,218,000 for the International Wheat Agreement will cover estimated costs for the full fiscal year 1963. The reduction of \$15,650,000 is based on the same factors as discussed in the preceding paragraph for Public Law 480 programs.

For the bartered materials program, the committee recommends the same amount as was provided for fiscal year 1962, a reduction of \$218,067,000. The need for the materials acquired under this program is diminishing. Only a few of the items acquired in 1961 are still needed for defense stockpiling purposes.

The committee feels, therefore, that this program should be held to the present level for the next year and the overall program should be thoroughly reviewed for the future.

FARM CREDIT ADMINISTRATION

The Administration supervises, examines, and provides facilities and services to a coordinated system of farm credit banks and associations making loans to farmers and their cooperatives. Services and facilities furnished by the Administration facilitate the operations of the several agencies and their progress toward farmer ownership. All expenses of these activities are paid by assessments collected from the banks and associations of the Farm Credit System.

Since December 4, 1953, the Administration has been an independent agency under the direction of a Federal Farm Credit Board—12 U.S.C. 636. The Administration, originally created by Executive Order No. 6084 on May 27, 1933, was transferred to the Department of Agriculture on July 1, 1939, by Reorganization Plan No. 1.

On December 31, 1961, the Administration had 222 full-time employees of whom 105 were in Washington. The 117 field employees are farm loan registrars,

reviewing appraisers, and farm credit examiners.

The full budget limitation of \$2,565,000 is provided for fiscal year 1963, a reduction of \$25,000 below the limitation established for 1962. A decrease of 3 man-years of employment is proposed for next year.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. MICHEL].

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, there are only 2 hours of general debate on this bill before we get into the amending process, which does not give us a lot of time. There are several items I would like to spend my 10 minutes on, if I may, principally on the two amendments I will be offering, but before getting specifically to that subject, there are several other items here which might be worthy of mention.

The chairman, of course, has made a point of our having reduced the appropriation under the budget request and I would simply say that all members of the committee worked diligently recognizing full well that this was a sensitive area this year and that we wanted to come in with a bill reduced under the budget figure. In good conscience, I can say I think we have done that.

There is an item, however, for example, on the restoration of capital impairment of CCC stocks which, in effect, is somewhat of a phony figure because I think the testimony will show actually some of the commodities stored by the Commodity Credit Corporation are overvalued to the extent of \$1.2 billion. The Department came up and said, Since this is a fact, we should like to have an additional \$411 million this year and the same figure for the next 2 successive years to bring this value of CCC stocks more in line. Actually, the committee cut that figure down to \$211 million and we feel it may be that over 6 years that this value can be brought more into line. So, in effect, we have here a kind of phony figure of what is really involved in the value of the CCC stocks.

Then, too, since we considered the trade bill some time ago and we were talking about this favorable balance of trade of exports and imports, we also have a matter here of agricultural products that are exported abroad and sold for local currencies, for which we do not get the bill until we consider this measure here for the restoration of the capital impairment of the CCC of something like \$1,293 million reimbursement for foreign sales. That is found on page 44 of the report.

So actually when we talk about a dollar sale abroad, this is not a dollar sale at all but one for local currencies and for which taxpayers in the end have to ante up money to restore the CCC capital impairment.

Mr. Chairman, last Friday I announced on the floor that I intended to offer an amendment today to the agricultural appropriations bill relative to the appropriations requested for the Rural Electrification Administration. I

would like my colleagues to understand very clearly what the purpose is for this amendment and what effect it would have.

First and foremost, let me state categorically that this amendment will not deprive one single cooperative of any power. It will not create a power shortage amongst cooperatives.

Second, it will not result in increased cost of power to cooperatives.

Third, it does not in any way reduce the total amount of loan funds available to rural electric cooperatives.

Fourth, it will not impair the security of one single cooperative.

This amendment is intended to do only one thing, and that is to bring the REA program close into line with the intent and purpose of the Rural Electrification Act and to give Congress some semblance of control over this agency.

As I pointed out last Friday, this REA program has changed radically. If the Members believe they are still providing Federal funds every year for a program that is helping the farmer they are mistaken—badly mistaken. Today we see the good name of the old REA program being used to underwrite cheap, subsidized electricity for people who have absolutely no claim to it, nor legitimate reason for expecting it.

We are providing millions of dollars every year to subsidize the electricity of industrial concerns, of businesses, of suburban residents—not farmers.

It is a matter of record that six out of every seven of the new customers added by the electric co-ops are not farm customers. They are those industries, businesses, and nonfarm residential customers I mentioned before. They are the suburbs pushing out into the country from exploding cities. They are the businesses and industries that follow the suburbs or the businesses and industries that are trying to escape city taxes. These are the majority of all new REA customers and these are the people whose power we are subsidizing.

Now, on top of this there is something else you have to understand. We have in the office of the Administrator a man who wants to make something new out of the REA program. He wants to, as he puts it, "guarantee the cooperative device a permanent place in the American power industry." Well, I never suspected before that the co-ops were not pretty solid and permanent. From what I can find out they are doing mighty well financially; they should, since we only charge them 2 percent for the money we lend them. In fact, I hear it has been quite a problem to the Administrator to find ways of making the co-ops salt their money away so that they do not earn too much interest, because then, heaven forbid, the question of taxing them might be raised.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield.

Mr. HOSMER. I am happy to hear the gentleman say it is his intent and purpose to offer this amendment to give Congress some semblance of control over this agency. I doubt if we realize the

magnitude of the operation and how much money it has taken out of the Federal Treasury. It amounts to \$3,419 million, upon which the Government must pay interest, because it borrowed that money. It is on an order of magnitude of about 2 percent of the entire national debt. This \$3,419 million exceeds the \$2 billion that has been invested in TVA. All the Corps of Engineers dams amount to \$1.9 billion, and all the Bureau of Reclamation work amounts to \$2.2 billion, and so on down the line.

This REA is one of the largest drains on the Federal Treasury over the years that we have, and I am happy to see that the gentleman is going to enforce some of the discipline that long ago should have been enforced upon this agency.

Mr. MICHEL. I thank the gentleman. He has made a very good point. Time and time again we hear what REA is doing on repaying and keeping current with their repayments. It is true that they are repaying some interest due, but the point is that if you drew a graph the amount of repayments would follow a line of that inclination, whereas the additional amounts being loaned to the agency would follow a line of this inclination. We will never in our lifetime see a point where repayments exceed new funds being put into the system or where it reaches a plateau and the program levels out financially.

Mr. HOSMER. Mr. Chairman, will the gentleman yield further?

Mr. MICHEL. I yield.

Mr. HOSMER. As a matter of fact, if the program had been kept within the limits contemplated by the legislative intention of Congress we would by now have reached the point where loans to REA would be diminishing rather than, as the gentleman states, constantly going up and up to a fantastic astronomical figure.

Mr. MICHEL. That is precisely so.

And so, we find Mr. Clapp trying to give every co-op he can its own generating plant. In March of this year he boasted that for 1961 there had been a new record established in G. & T. loans: they had reached 56 percent of all REA loans made, the highest percentage used for this purpose in the history of the program.

And let me tell the Members this: According to the information that has been presented to us on the Appropriations Committee, 1963 will see another new record. We have been told that 65 to 68 percent of the \$400 million the REA wants is going for generating and transmission loans.

There is no doubt that Mr. Clapp means what he says. There is no doubt that he is backing up what he says. So, to Mr. Norman Clapp, we may someday be indebted for a new economic order in the power business: the cooperative device. Far fetched? Not by any means. How can any taxpaying business compete with this thing. The co-ops can use Federal funds to subsidize industry on their lines; then on the other side, they are given privileged status under which they get first call on all federally generated power which in practically every

instance I know of is also subsidized. It is a mighty powerful combination to fight.

Back in 1936 Congress must have known that this could happen because the legislative history of the Rural Electrification Act is replete with statements guarding against exactly the kind of picture I have just drawn. The father of the REA, our former respected colleague Sam Rayburn said it best:

We are not, in this bill, intending to go out and compete with anybody. By this bill we hope to bring electrification to people who do not now have it. This bill was not written on the theory that we were going to punish somebody or parallel their lines and enter into competition with them.

That is what our former Speaker, Sam Rayburn, had to say when this bill was originally conceived. My point is we are getting far afield from that original intent, now getting over into the generation and transmission. I say let us give the REA funds for distribution. Give it to the farmer. I am not against that. We are giving them \$155 million more this year than they had last year. My amendment makes only a difference of \$5 million in what they have been spending this year on generation and transmission and what they can spend next year for generation and transmission.

I am only trying to save money by my amendment. For heaven's sake, let us get back to the original intent. Get the electricity to the farmers. They are using more electricity for milking machines, for pumping, for everything on the farm. They need the lines beefed up. Give it to them, but let us not get the Federal Government with both feet, body, and everything into the generating power business.

That is the real nub of the amendment I shall offer when we consider the bill under the 5-minute rule.

Coming back to my prepared remarks, you will find that quotation in the debate on the REA Act in 1936.

Here we have two diametrically opposed concepts. There is the concept expressed in the original act as endorsed by Mr. Rayburn, and the concept that is now quite evident in what Mr. Clapp is doing. Using the REA program, Mr. Clapp is trying to make an independent, Federal-public power system out of the cooperatives. He is making them competitive with existing business. He is tying them into Federal systems so that co-op steam power can supplement Federal hydropower. And worst of all, Mr. Clapp is doing this behind a cloak of secrecy that is as tight as anything surrounding any of our defense programs.

There is no need for secrecy in the power business. Nobody is going to steal an idea and grab the market with an imitation product. This simply is not in the nature of the power business. Yet, Mr. Clapp handles his annual REA program as if it would be the worst possible crime against the Nation to disclose in advance for what powerplants he proposes to lend money and on what basis he is going to make his decisions.

If this program is in line with the intent of the original REA Act, if loans are being made in accordance with the purposes for which this program was founded, Mr. Clapp should have nothing to hide and there certainly would be no basis for criticizing him.

My colleagues here today might think that we on the Appropriations Committee have all the answers when we come to you and say REA should have so many millions of dollars. We have approved it in the committee, we are satisfied that this is reasonable. You can take our word for it. Well, my friends, let me tell you something. We on the committee give this money blindly. We do not know why REA asks for any given figure. We do not know whether REA is asking for too much or too little. We do not know what REA is going to do with it. We do not know because we cannot find out. When we try to find out, the Administrator pleads ignorance because of the nature of the business. He tells us it is impossible for co-ops to know in advance when they might need a loan, or for what purpose they might need it. And this, Mr. Chairman, in the power business where advanced planning is an absolute prerequisite. I am no power engineer, but from what I know of the business I would say that if any utility whether it is investor-owned, cooperative, or a public body, does not have a pretty clear idea at least 2 to 3 years in advance what its expansion needs are going to be, then that utility does not deserve to be in business.

Mr. Clapp last April issued a policy statement which purported to be a new policy with respect to disclosing information. That policy is not worth the paper it was written on because it still protects Mr. Clapp's actions in the very area where this program has gone off the rails.

Let me give you an example. Back in March, Mr. Clapp approved a loan of over \$15 million to the Colorado-Ute Electric Association in Colorado. This G. & T. loan is to finance the construction of a generating plant which will ultimately be 150,000 kilowatts. This entire loan—and there have been some others like it—has the smell of public power conspiracy about it.

In the first place, to make it economically practical, the co-op has made a deal with the Salt River project, 800 miles away, to sell them one-third the output of the plant. Next, the plant will be tied into the Bureau of Reclamation transmission system for the upper Colorado River storage project. Third, the Colorado-Ute co-op members have available, or have access to all the power they can use now or in the future from existing suppliers.

Now Mr. Clapp has been so secretive about making this loan and about how he justified it that an electric company which is concerned about what it will do to their business wanted to see his records. They want to find out if there is any justification for the plant, and on what basis Mr. Clapp decided to lend over \$15 million of the taxpayers' money. To do this, they had to go to court and get

a subpoena on Mr. Clapp. The Administrator attempted to quash the service of summons, but I am happy to say that on July 19, Judge David A. Pine, of the U.S. District Court for the District of Columbia, ordered Mr. Clapp to submit to examination by the company and to produce all documents related to the Colorado-Ute loan.

However, here comes the clincher. On July 20, when the Administrator was questioned by counsel for the company—the Western Colorado Power Co.—he refused to give any information. I would like to read to you from a statement issued by the law firm of Reid & Priest here in Washington about that session with Mr. Clapp. Talking about Mr. Clapp they say:

He produced for examination two documents, one a letter from the REA to Colorado-Ute Electric Association acknowledging its receipt of the application of Colorado-Ute for a loan and, two, a telegram to Colorado-Ute announcing the granting of the loan. Mr. Clapp refused to produce any other documents. He based his refusal on a letter which he had received from the Secretary of Agriculture directing him not to produce any documents in response to the court's order and the subpoena. In the course of his answers to questions, he revealed that much of the information that he was at liberty to give was in the hands of subordinates and not within his personal knowledge.

He refused to answer a substantial number of the questions and further refused to make the documents requested available for examination following the direction of the Secretary of Agriculture. He advised that the Secretary of Agriculture would study the documents requested and the questions which he had refused to answer and would make a determination as to whether or not the Administrator should later furnish the documents and answer the questions.

Further proceedings under the depositions were postponed until August 20, 1962, at which time the Administrator advised that he would either answer or renew his refusal to answer the questions and either deliver or continue to withhold the documents depending upon the instructions that he received from the Secretary of Agriculture.

Now, Mr. Chairman, when Mr. Clapp tells you there is no secrecy surrounding REA's loan operations, just remember the Colorado-Ute case. Here is an instance where even when the court has ordered the REA to produce its records on a loan case, it refuses to do so. And this is the same attitude we on the Appropriations Committee encounter when we try to find out what the justification might be behind a request for \$300 million, or \$400 million—whatever it is REA might be seeking.

Well, we will see what happens August 20. But I think that the time has come for Congress to take this situation in hand. If the court's authority is not going to be enough to produce the desired information, then it is up to Congress to do something about this matter. But we have to do it so that we know in advance what REA is planning, not after the fact as in this Colorado-Ute case.

This year I know it is probably too late to do anything about it and it is for this reason that I have proposed my amendment. I know of no other way of curbing Mr. Clapp's freewheeling with Federal funds. And because it is in this

area of making loans for steamplants where he is most blatantly perverting the original intent of the REA Act, that I have proposed my amendment.

All this amendment does is limit his G. & T. loaning authority to \$150 million out of the \$400 million he wants for his program this year. This still gives Mr. Clapp a lot of latitude, much more latitude than I like to see him have. On the other hand, my amendment in no way curtails his authority to grant distribution loans, which type of loan is much closer to the original intent and purpose of the Electrification Act. So this is the purpose of my amendment. It will, I hope, slow Mr. Clapp down before he brings the whole REA program into disrepute. It will give my colleagues a little more time to realize the extent to which we have lost sight of the real purpose of this program.

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the gentleman from California [Mr. HOSMER] made the statement, and correctly so, that approximately \$3,400 million of REA authorizations have been drawn down by the approximately 1,000 REA associations nationwide. I think the House should know that for each of these dollars placed with REA \$4 of business has been generated nationwide because of bringing electrification to the rural areas. In other words, \$12 billion of business has been generated for private industry, for electric appliance manufacturing of every type, television, everything of that nature. The U.S. Government upon that \$12 billion of business certainly has collected in income tax at least a billion or a billion and a half dollars from those particular corporations.

Mr. Chairman, REA to me is good not only for the farmers of America but for private business all over the Nation.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to the gentleman from Illinois.

Mr. COLLIER. Are there not instances, however, where the REA is in direct competition with private business, and would not this same area of prosperity in dollar turnover be available through permitting some of these operations by private industry with which the REA was never intended to compete?

Mr. ANDERSEN of Minnesota. In western Minnesota, which I have represented for 24 years, we have working agreements through the Northern States Power, Interstate Power, and Ottertail Power, three great private utilities, and 12 or 14 REA associations under which no duplication of lines are permitted. The private utilities have advanced their interests, the REA has been fully satisfied, and in my mind we have proven in western Minnesota there is room for both private and public power.

Mr. COLLIER. Outside of western Minnesota, is this true?

Mr. WHITTEN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriations bill for the Department of Agriculture.

This bill provides the necessary funds for the operation of the Agriculture Department's activities, such as research, school-lunch program, Extension Service, meat inspection, soil conservation service, and disease and pest control. The total sum of \$5,477,092,500 is recommended for fiscal year 1963. The amount requested was \$6,354,783,000.

The reduction amounts to nearly 14 percent and this action is unprecedented. For a number of years the amounts requested for agriculture have been approved with only minor reductions and this was expected by the people in this country. This is not the situation today.

I know full well that \$5,477,092,500 is a tremendous amount of money and the amounts expended during the past 15 years for agriculture have been large amounts.

We all know that we are in a race with the Soviet Union in outer space and in certain other fields, but this does not apply to agriculture. Our country today is the strongest, most productive, and wealthiest nation on earth, and in the field of agriculture we have unquestioned superiority.

The amounts expended for agriculture during the past 15 years of course, have been important to our farmer and at the same time have produced many benefits to the consumer.

A century ago President Lincoln described the Department of Agriculture as "precisely the people's Department." This is true today, and no other department of our Federal Government has an equal number of consumer protection activities.

Some people think of the present-day farm problem in terms of subsidy, surplus, and control. They overlook the fact that agriculture is at the crossroads, and that we are facing a choice between a sound program for managed abundance or eventual abandonment of all farm programs.

The time has arrived for us to clear our vision and to get matters in proper perspective. We must not forget that American agriculture and the Department of Agriculture are vitally important to every American every day.

As the direct result of the many consumer services of the Department of Agriculture, we can buy food with confidence, knowing that it is among the safest, cleanest, and most wholesome food in the world.

Research provided by the Department of Agriculture protects crops and livestock from pests and diseases that could impair food. Food safety and wholesomeness begins with our farmer. As the direct result of research and marketing research in particular, food safety continues from the farm through mar-

keting right to the corner grocery and the supermarket.

The meat and poultry inspection systems of the Department are the envy and models of nearly every country in the world. Last year our inspectors certified as wholesome more than 5½ billion pounds of poultry and 25 billion pounds of red meat. These same inspectors condemn and destroy nearly a million pounds of meat and meat products every working day because of disease, contamination, and spoilage.

Food graded by the Department or according to standards developed by it, enables us to know the quality of the food we buy. Meat, poultry, fresh fruits, vegetables, eggs, butter, and milk are only a few of the foods graded.

Just what happens to the housewife's food dollar? Today the typical market carries 5,000 items from which to choose. Twenty years ago only about 1,000 items were carried. The 4,000 new ones are largely specialty goods of one sort or another, or out-of-season items which at one time you could not purchase.

Millions of dollars in food costs are saved due to improved shipping, storing, and processing methods developed by the Agriculture Department.

If our farmer were using the same methods used in 1940 his production of food, fiber, and tobacco would cost \$15 billion more a year.

We are healthier because of the work of our Department of Agriculture. This is brought about not only from our food inspection processes and our ability to produce wholesome food, but is due to the results of our scientists who have determined the essentials of good diet. It is due also to research which has discovered ways of keeping essential nutrients and vitamins in food from the farm to the retail store. In speaking of health we must keep in mind that brucellosis is a disease that attacks both cattle and people.

A wash-and-wear cotton shirt and a wool suit which is today more resistant to wrinkle, are the results of research in the Department.

Water is one of our greatest resources. The city with no water problem is the exception rather than the rule. Our program in the Department to conserve and improve our soil, water, grass, forest, and wildlife resources, is of great importance to our urban dwellers.

From our abundance we are sharing with our children and our needy. Funds are provided in this bill for our school lunch, milk, food stamp, and direct distribution of foods to the needy programs. The school lunch program now reaches 14 million children in 64,000 schools. In 1961 some 7 million needy persons received food through the direct food distribution program of the Department. A hundred and fifty thousand people are receiving supplementary food purchasing power through the pilot food stamp program.

In considering the amount carried in this bill we must remember that the consumer benefits as well as the farmer.

We must remember that the net income of the American farmer was \$12.7

billion in 1961, and in 1950 it was \$13.2 billion. Today we have 3,704,000 farms and in 1954 we had 4,782,000. In 1961 farm operators spent \$26,900 million for items associated with farm production, most of which came from nonfarm economy. The farmer today receives only 40 percent of the consumer's dollar for food purchased. In 1948 the total received was 51 percent.

Critics of agriculture are not aware of the true facts concerning the cost of the Department of Agriculture and just how much of this total cost applies directly to the American farmer.

The bill contains money both for agriculture and services for consumers. It will be expended by the people's department.

Mr. Chairman, when our farmer is prospering, tractors, automobiles, milking machines, combines, trucks, and mechanical devices of every description are moving from the factory to the farm. Modern farm problems are tremendously complex, and there is no easy answer.

Our committee recommends this bill to the Members of the House.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend, the gentleman from Minnesota [Mr. ANDERSEN], one of the outstanding members on this subcommittee.

Mr. ANDERSEN of Minnesota. I thank the gentleman.

I would like to call to the attention of the Committee the fine work that the gentleman from Kentucky [Mr. NATCHER] has done during the time he has been on this particular subcommittee in behalf of the humanitarian use of our surplus food for groups such as those participating in the school lunch program and the people abroad who have been hit by famine.

I want to compliment the gentleman from Kentucky [Mr. NATCHER] for his humanitarian approach to all of these problems.

Mr. NATCHER. I thank my good friend.

Mr. SLACK. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from West Virginia, one of the able members of our subcommittee.

Mr. SLACK. I wish to compliment my colleague, the gentleman from Kentucky [Mr. NATCHER], for a most comprehensive statement this afternoon on this bill.

(Mr. SLACK asked and was given permission to revise and extend his remarks.)

Mr. SLACK. Mr. Chairman, the presentation of the agriculture appropriation bill for 1963 provides occasion for me to again pay public tribute to my colleagues on the Agriculture Appropriations Subcommittee—Chairman WHITTEN and Representatives NATCHER, SANTANGELO, ANDERSEN, HORAN, and MICHEL. As a relatively new member of the subcommittee and one without a strong background in agriculture, I have been in a position to profit from the diligent and

careful attention to detail which has found its result in this bill.

The bill appropriates \$5,477,092,500, a reduction of \$877,690,500 from total budget requests amounting originally to \$6,354,783,000. The reductions recommended, however, are not just the result of thoughtless slashing without due attention to the consequences. It can truthfully be said for the record that every item requested was weighed on its merits, very carefully measured against the public need as indicated by the best available information at the time. The final version of the bill, as offered today, represents a true compromise of many conflicting viewpoints.

Of all of the bills considered by this House during a session, this is one of the few which directly affects every American household because of its relationship to food commodity quantities, quality, and price. This factor suggests the strong necessity for us to pass a bill, therefore, in which the sum total is of much greater importance than the individual parts.

The general pattern of the bill, developed after extremely careful study of the many individual proposals, merits our support, and I strongly recommend its passage as an endorsement of a workmanlike approach to problems facing us today in agriculture.

As would be the case with any measure covering such a broad range of activity, there are elements in the bill which will arouse questions in the minds of some Members. I myself, take exception to the provisions of that section which deals with the proposed 1963 program for the Rural Electrification Administration. In that connection I will support the proposed amendment being offered by the gentleman from Illinois [Mr. MICHEL], who is also a member of the subcommittee. From previous discussion in this Chamber, most of you are aware that the REA is requesting funds and authority of such a nature as to represent a general change in emphasis from its previous program, away from the distribution of power and toward more generation and transmission.

In 1962, REA received \$245 million and spent \$155 million of that sum on generation and transmission. The present bill appropriates for REA, \$300 million and sets \$100 million in reserve for use by REA if substantiation can be made to the satisfaction of the Bureau of the Budget. For all practical purposes, REA is to receive \$400 million according to the terms of the bill as reported.

Recent activity and present indications of programing can lead to only one conclusion: REA will spend most of that \$400 million on generation and transmission facilities and thereby play a stronger role in areas where this Government agency will come into direct competition with commercial power producers. The declining emphasis on distribution underlines this certainty. Such being the case, I believe we should give very careful consideration to the proposed amendment whereby REA would be limited to the use of a maximum of \$150 million during 1963 for generation and transmission loans.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend, the gentleman from New York City, one of the distinguished members of this committee.

Mr. SANTANGELO. I want to associate myself with the remarks uttered by the gentleman from Kentucky. I think that the gentleman has a knowledge of the subject which very few people in the country possess. The statement that the gentleman has made shows the benefits to the farmers as well as to consumers, and should be repeated time and again. This tremendous budget which we have in this appropriation bill affects not only the farmer by giving him the opportunity to produce, but also takes care of the consumers through the production of a better quality of food and also a cheaper price for such food in the long run.

Mr. NATCHER. I thank the gentleman for his statement.

Mr. JOHNSON of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend, a member of the Committee on Agriculture, the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON of Wisconsin. Mr. Chairman, I would like to associate myself with the remarks which have been made by the gentleman from Kentucky [Mr. NATCHER] and the gentleman from New York [Mr. SANTANGELO]. I think it is very important that the people of the country know how much the consumer receives under this agricultural appropriation. There are many items listed in this bill which could be identified as a benefit to the city dweller. I want to call special attention to the fact that the committee has recommended the full amount which was authorized for school milk by the Committee on Agriculture a year ago, which was signed into law August 8, 1961.

Up until this time this money has been coming out of CCC funds, and it was the feeling of the members of the House Agriculture Committee that this should be in a separate appropriation where it could be identified. The gentleman's committee has given the full authorization.

Mr. Chairman, I thank the gentleman.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the distinguished gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I want to commend the gentleman from Kentucky for his excellent statement. As chairman of the General Subcommittee on Education I am very much concerned with the school lunch program. Also, being an ardent conservationist, I am concerned with what the committee has done on soil conservation. I believe the budget estimate this year provided for approximately a \$100 million reduction in the soil conservation program. Can the gentleman inform me about that?

Mr. WHITTEN. Mr. Chairman, will the gentleman yield to me?

Mr. NATCHER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. The committee restored that amount. It is in the agricultural conservation program for next year. May I say with regard to the school lunch program, that we went along with the budget estimate with one exception, where they asked \$10 million in cash to be distributed outside of the formula. The committee felt that that would in effect repeal the law, so we went along with this \$10 million in commodities, which was as far as the committee felt we had authority to go.

Mr. BAILEY. The request for the additional \$10 million was made thinking that we would create an new hot lunch school program, which is a different approach from the present distribution of those funds. Since it had not cleared the Congress, I presume the committee had no choice than to proceed the way they did.

Mr. WHITTEN. That was our understanding.

Mr. NATCHER. I thank the gentleman for his statement.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend from Kansas [Mr. BREEDING], one of the outstanding Members of the House, and one of the members of the Committee on Agriculture.

Mr. BREEDING. Mr. Chairman, I would like to join my colleagues in complimenting the gentleman from Kentucky [Mr. NATCHER] on his excellent statement here today. Having watched him over the years, I think he is one of the greatest leaders of American agriculture and American rural life. I want to thank the gentleman for his help to American Agriculture of American rural life.

Mr. NATCHER. I thank my friend for his statement.

(Mr. NATCHER asked and was given permission to revise and extend his remarks.)

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY of Indiana. Mr. Chairman, I want to thank first of all the gentleman who has yielded me this brief time. I also want to compliment the entire subcommittee. I know that their efforts have been long, laborious, and painstaking, and require a good deal of background, understanding, and patience. I believe they have come up with a good bill for our consideration.

I am going to devote just a little bit of time to one phase of agriculture that as far as I have been able to determine has received very little attention in the debate on the floor of the House. We all know that this is the 100th anniversary of our Department of Agriculture and the land-grant colleges. Through their work in research and experimentation and through their work in the field of extension, including the 4-H Club work, they have brought great benefits not only to the agricultural people themselves but all of our people. Today we are the best and, in terms of the cost of food of the average man's salary, we are the cheapest fed people in the world. Not only that but we have produced consid-

erable surplus; and this, of course, I believe we are dealing with in a fairly commendable fashion.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY of Indiana. I yield to the gentleman from Washington.

Mr. HORAN. I should like to go back to the centennial matter. If the gentleman will investigate, I think he will find that in the period of 3 weeks in 1862 we created a Department of Agriculture under a Commissioner, we passed the Homestead Act, and we also established the land-grant colleges. I submit in terms of our comfort today and our abundance of food that that was perhaps one of the most auspicious 3 weeks in the history of mankind. That all occurred during the period of a very, very bloody Civil War in the history of this society of ours.

Mr. HARVEY of Indiana. I thank the gentleman.

I want to touch very briefly on one phase of agriculture that, as I said, has received little attention, and that has to do with the Foreign Agricultural Service. A few years ago some of us, at least, realized we might have the problem of dealing with surpluses, or abundance, whichever you call it, for some time to come. We realized that we were not really trying to sell our products abroad, that we had here a great many fine products that the rest of the world could have and would buy if we would really get out and try to sell them. We also belatedly realized that surplus food could become a most effective weapon in the cold war. So we set up the Foreign Agricultural Attachés as a division in the Department of Agriculture and enjoined them to prosecute vigorously the sale of these commodities abroad.

It was brought out in the course of our discussion that about \$1,200 million of surplus products are sold for foreign currencies, but what was not brought out was that nearly three times that much today is being sold for dollars abroad. That would not have come about had not this very fine Foreign Agricultural Service been brought into being, and had they not been given every encouragement. They have developed markets through and with the various trade associations, such as wheat and soybeans, just to mention two of the outstanding commodity organizations that have utilized our foreign services. We have great progress in selling commodities abroad. We can thank our lucky stars that this was initiated some time ago, because the Common Market, which is the subject of conversation today all over the world, would have had a much greater and less favorable impact upon our agricultural economy, I can assure you, had not our Foreign Agricultural Service been in being and on the job, providing for a better market in the rather troublesome days that lie ahead. I particularly want to pay my tribute to these officers, these dedicated people, who have made this great service to agriculture possible.

Mr. SANTANGELO. Mr. Chairman, I yield myself 7 minutes.

(Mr. SANTANGELO asked and was given permission to revise and extend his remarks.)

Mr. SANTANGELO. Mr. Chairman, at the outset I want to thank the chairman of the subcommittee, the senior members and all the agricultural experts who have given an urban dweller like me an insight into the problems on the farm and the problems of agriculture generally.

Mr. Chairman, I am pleased to support this bill because I think these are appropriations for the development of the resources of our country. The problems of agriculture today are not problems of scarcity, but problems of abundance. Our Bible teaches us that there will be 7 years of plenty before an era of scarcity, but we have been blessed with even more than 7 years of plenty and yet with this great abundance there has come a waste and a corruption that is causing the American people great concern. We see that when there is so much money and so many subsidies and supports that there is always a so-called wise individual—a man who tries to cut corners and get benefits which the American people through their Congress do not intend for him to get. So we find the Billie Sol Estes type of individual—people buying allotments and taking advantage of the generosity of the American people.

Mr. Chairman, the members of this subcommittee have cut the budget request by \$877,690,500. I know of no other appropriation bill where so great a cut has been made, keeping in mind that we must try to balance our budget and at the same time not to deny the farmers of America the support which they, as Americans and producers, are entitled to receive.

Mr. Chairman, I have been glad for the opportunity to stand in this well year after year for the last 5 years to speak in support of an agricultural bill. I do so, Mr. Chairman, because I believe that ours is a country where farmers and urban dwellers really live side by side, working together and with mutual respect one for the other. What our farmers produce, our people in the cities eat. What we in the cities manufacture either in textiles or machinery or any of the hundred and one appliances that the American worker produces, the farmer by reason of his prosperity is able to purchase. Thus, the purchasing power of the people on the farms keeps the wheels of industry in the cities turning. Our interests dovetail and we must work together and while sometimes we see the selfishness of the big farmer who does not want to try to eliminate these problems of control and surpluses, I recognize in the main that the farmers constitute one of the strong bulwarks of this country and without them, the United States could not succeed. So I support this measure because I think it is in the interest of our country. But, I do not want to spend one extra dime—I do not want to spend 1 cent for waste.

During the committee hearings, we recommended that we should have at least

25 additional auditors who would investigate into the mechanics of the operation of the farm program and of the agricultural program so that we could have sort of a watchdog check on the expenditures of the funds. We assigned these auditors to the Secretary of Agriculture who is charged with the administration of this tremendous sprawling activity in agriculture. The Secretary of Agriculture must have these people who are trained to do this kind of work and who will go into these matters before the fact and not after the fact of some malfeasance or wrongdoing. So we are appropriating \$250,000 for 25 auditors. I would recommend, too, to the Committee on Banking and Currency that has jurisdiction over the Commodity Credit Corporation that we should have a complete investigation of this mammoth corporation which has the authority and which could possibly borrow to the extent of \$14½ billion. This agency has come to the U.S. Congress year after year and has received funds to reimburse the Commodity Credit Corporation for its expenditures.

During the hearings, we were shocked to find out that the actual cost of commodities in our bins and commercial warehouses is not \$14 billion which the CCC is authorized to borrow, but is only about \$7,183 million, consisting of actual acquisition costs and loans to farmers who do not pick up their commodities and convert their loan into a purchase.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Minnesota.

Mr. MARSHALL. Mr. Chairman, I want to commend the gentleman from New York for his fine statement. It was my privilege to go with the gentleman from New York out into the country to see some of the work that was being done in the handling of these commodities. It is a great thing for the country when a Member from New York City will take the interest the gentleman from New York has taken in agriculture. The gentleman has brought about a fine feeling between farm people and city people throughout the country because of the efforts he has put forth. It is one of the finest examples of statesmanship I have observed during the time I have been in the Congress, and I commend again the gentleman from New York.

Mr. SANTANGELO. I thank the gentleman from Minnesota for his gracious and kind remarks.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield.

Mr. O'HARA of Michigan. Did I understand the gentleman to say that the Commodity Credit Corporation had borrowing authority to finance their operations?

Mr. SANTANGELO. The Commodity Credit Corporation has the power and authority to borrow up to \$14 billion in order to carry out the program it has embarked upon of reimbursing on the foreign sales program and subsidies in the loan program. It has this authority to borrow up to \$14 billion.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. SANTANGELO. I yield.

Mr. O'HARA of Michigan. In recent years we have heard a great deal about back-door financing and the borrowing program under the Housing Act, and other programs. This seems to smack of back-door financing, but I cannot recall of having heard any complaints about it.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield.

Mr. WHITTEN. The statement about the borrowing authority of the Corporation is correct. It has that much borrowing authority. What it can borrow is limited to what is left beyond that which it has either invested in commodities to which it has title, or commodities on which it has loans. So, the remaining borrowing power that Commodity Credit Corporation has is the difference between what it has outstanding and \$14½ billion.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield.

Mr. FINDLEY. I was glad to hear that an amount had been allowed in this bill to investigate the activities of the Commodity Credit Corporation, but I wonder how many investigators would be needed in view of the fact that the FBI has assigned over 500 different agents to investigate the Billie Sol Estes case. How many would be needed for a complete investigation?

Mr. WHITTEN. If the gentleman will yield, that is a special matter. What we have done is to provide auditors to check on the general activities of the Department. It was on that basis that the 25 accountants and investigators were authorized.

Also, if the gentleman will permit a further encroachment on his time, I wish to say that I do not know of anyone who has contributed more to the welfare of the American consumer and the American farmer than the gentleman from New York [Mr. SANTANGELO]. I do not know of anyone who has worked harder or shown a greater ability to understand agriculture and its operations and the necessity to maintain a supply of wholesome food and a great market for American industry than the gentleman from New York. Not only has he brought to the subcommittee and to the whole Committee on Appropriations a knowledge of the consumer problems, but he has also contributed greatly to worthwhile efforts to maintain meat inspection and other programs for the protection of the public health.

I want to say as chairman of this subcommittee that I never worked with anybody who devoted himself more intelligently and assiduously to the problems at hand than the gentleman from New York.

Mr. SANTANGELO. I thank my chairman.

Mr. Chairman, I would now like to direct my remarks to Members from the city and those who live in urban areas.

Mr. Chairman, I would like to direct my attention to those of my colleagues

who come from the cities and urban areas. We are prone to consider this bill as something applying only to the farmers. There are so many facets to the bill which help the city and the consumer, that I would like to bring to your attention one phase which is very important to the youth of our country.

Our President, John Kennedy has come forward with a program involving the fitness of youth. Statistics show that many of our boys who tried to go into service were rejected by reason of being unfit. The school lunch program which goes not only to the cities but to the rural areas is one of the greatest programs for the benefit of the posterity of our country and for the children of our country. Over 64,000 schools participate today. We have 14 million children throughout the United States who partake of the school lunch program. We are donating in cash \$125 million this year. In addition, we are appropriating \$45 million of section 32 funds, which are the funds we derive from custom receipts. We have donated commodities which exceed \$168 million.

In addition to that, we have several milk programs amounting to \$100 million. It is important to realize that the declining consumption of milk throughout the United States, which, in my opinion, is not brought about by reason of the scare involving strontium 90 or to the fear of cholesterol in the milk, but because of some of the high prices that are charged. Consequently, we are giving the dairy farmer an opportunity to sell his milk when we provide this special milk program to the children of our schools. We are thereby supporting the dairy farmer, we are supporting the economy, and we are supporting most of all the health of the children of our country.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I want to compliment the gentleman for the fine attitude he has shown in our subcommittee in being fair, as he has always been, in connection with problems relating to all parts of agriculture. The gentleman has been very fair, he has been of great assistance to us, and I feel from the consumer's viewpoint and from the general overall viewpoint, he has been a wonderful help in the Subcommittee on Agriculture.

Mr. SANTANGELO. I thank the gentleman.

For those who eat chops, meat, and hamburgers, may I say that approximately \$25 million is provided for food and meat inspection. Thirteen and a half million dollars is provided for poultry inspection. We safeguard for you people who work in the cities through research of the U.S. Department of Agriculture, through examination of water supply, food supplies, and approving the quality of food, which is something we should be grateful for because we are being protected.

I ask the people from the cities when they vote for this budget of approximately \$5½ billion, which we have cut

down here by \$877 million, we are doing this not for the farmer, not for the urban dweller, but we are doing this for all Americans who deserve our wholehearted concern and consideration.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. NYGAARD].

(Mr. NYGAARD asked and was given permission to revise and extend his remarks.)

Mr. NYGAARD. Mr. Chairman, I come from a State in which the economy of the State is agriculture by about 85 percent. We are dealing today with a bill that involves about \$5½ billion. In this session of Congress we are going to be dealing with about \$96 billion plus in appropriations. We have just heard it said on the floor of the House today that approximately 10 percent of the population of this country is engaged in agriculture.

Therefore, some may think that when you are speaking of \$5.5 billion in an agricultural program, it is out of line. But, it is not, as it represents far less a percentage of the people involved in agriculture as compared to the people employed otherwise in this country.

Then again, when we look at this matter of \$5.5 billion, what do we find? We find that there are a tremendous number of items involved in this appropriation bill that do not relate entirely to agriculture. We also find that a great portion of the appropriation involved in this \$5.5 billion is in the form of loans. We have the farm operation loans, we have the farm disaster loans, we have the REA loans; we have all of those that are repaid to the General Treasury after the service of that money has been used by the various functions for which they were designed.

We have Public Law 480, which, of course, in a sense, does serve agriculture, but it also serves in the field of foreign relations. It serves in the disposal of products to other nations, and it serves in helping the general welfare of this country as well as of the world. We also have the question of soil conservation and the watershed program. There again some people will consider that that is something of a direct subsidy to the farmer. But, as was so ably stated some time ago on the floor, we are here conserving the resources of this country. The Soil Conservation Service is working directly and entirely in that field. Your watershed program likewise is working in that direction. Therefore, the money that is involved in these two programs is not a subsidy to the individual farmer that is tilling the particular ground on which this project is being produced; it is to conserve the resources of this Nation for the further use of the people of this country so that we may be able to assist conservation and in feeding the hungry populations throughout the world.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. LATTA].

(Mr. LATTA asked and was given permission to revise and extend his remarks.)

Mr. LATTA. Mr. Chairman, I take this time to ask a question or two of the distinguished chairman of the committee, the gentleman from Mississippi [Mr. WHITTEN].

Last year after the Congress adjourned I received several calls from meatpackers in my district informing me that the Department of Agriculture was withdrawing several meat inspectors from plants in Ohio and that the Department was blaming this subcommittee that now has this bill before the House for reducing the appropriations for meat inspectors to such an extent that they could no longer keep them on the job.

I thereupon called the distinguished chairman of this committee and drew his attention to the matter. He was aware of it, as this was apparently being done in other parts of the United States, and he was making attempts to right the situation.

I would like to ask the distinguished gentleman from Mississippi whether or not the 113 additional meat inspectors provided for in this bill will take care of this need.

Mr. WHITTEN. About all the gentleman from Mississippi can say is that in the opinion of the committee it should. The amount authorized in this bill for meat inspection is \$25,241,000. Involved in the overall situation is the fact that meat plants, slaughterhouses, quite frequently like to run at their convenience.

They like to run 8 hours a day, 5 days a week. We have a provision to the effect that if they care to work overtime, for their own convenience, that is billed back to the plant, with proper administration. It is the belief that we should have adequate inspectors in order to meet a normal workload if the slaughtering plant wishes to operate on a regular basis. But I do not believe it is possible to have enough inspectors for them to run to suit the convenience of the plant. We have gone along with the requested budget increase. It is my opinion, based upon the testimony presented before the committee, that it should take care of the situation to which the gentleman refers. On the other hand, there is no way for the committee to administer this program, as the gentleman knows.

Mr. LATTA. They did not testify or complain before the committee that 113 inspectors would not take care of their needs, did they?

Mr. WHITTEN. If the gentleman will yield further, my recollection is that the Department witnesses did not. As the gentleman knows, we have outside witnesses to appear before the subcommittee from time to time. These inspectors are organized, and we have others who are organized. It is pretty difficult to give them all they would like in any category. But it is my belief that we have given plenty of money to meet the problem that the gentleman describes.

Mr. HORAN. Mr. Chairman, will the gentleman yield further?

Mr. LATTA. Yes, I am glad to yield to the gentleman from Washington.

Mr. HORAN. Last year we allowed the full budget for this item. We recognized a change in the commercial pat-

tern of America. All of the moneys that we allow now for highways has changed the whole economic pattern of America; the time was when meat inspection needs came almost exclusively from railroad centers. Today we have our packing houses located all over the landscape and they all demand meat inspection, which is their right.

The committee is fully aware of this situation. We have allowed almost the full amount of the budget. But we have also asked—if the gentleman will turn to the bottom of page 9 of our report, he will read this:

In this connection the Department is requested to make a special study to determine to what extent it can certify State meat inspection services and license them to inspect meat which moves in interstate commerce.

I might say in this connection that we have evidence that while this is a troublesome problem there are adequate and able meat inspection services today supplied by the States. We are asking for every cooperation in order to meet this need.

When I first went on this Agricultural Subcommittee of the Committee on Appropriations the cost of meat inspection was in the neighborhood of, I believe, \$10 million. Today it is \$25 million, and it is rising. So we feel that we can use the abilities of everyone who can make a contribution to this necessary service. I might say, for one, the State of California has an excellent meat inspection service which we hope will be more adequately used in the future. The same is true of several other States. I might say further that I have attended conferences looking toward the attainment of this goal.

Mr. LATTA. I thank the gentleman.

I notice on page 7 of the report also that only 1,114 additional employees are requested for the Department of Agriculture. In checking back to January 1, 1961, when this administration came into power, I notice the Department had in excess of 87,000 employees. I just wonder if anyone could tell us how many employees they now have in the Department?

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I would be glad to yield to the gentleman from Illinois.

Mr. FINDLEY. The latest data I have indicates that on July 1 of this year the Department of Agriculture had 110,511 employees. I think it would be of interest in this centennial year to know that when the Department began operation it had a staff of 10 people. That is an 11,000-fold increase, I believe, if my arithmetic is correct, 11,000 times more employees today than there were 100 years ago. At that rate of increase we will have something like 121 million people on the Department payroll when we observe the 200th anniversary of the Department.

I want to add that since January 1, 1961, the payroll of the Department has increased 22,641 which, of course, is quite a sizable increase.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. LATTA. Mr. Chairman, before

yielding to the gentleman from Washington I would like to say that I cannot quite understand how this administration can increase the size of the Department by 22,641 employees in a span of 17 or 18 months. In the authorization bill for the next fiscal year they call for an increase of only 1,114 employees. Additional employees over and above those specifically authorized are getting on the payroll and I would like to know how.

Mr. HORAN. Mr. Chairman, I might say, as our Chairman pointed out, that we yielded to these requests with reluctance. We are convinced that the actions of the Congress made these services necessary, so we did allow an increase. In the unabridged budget which I hold in my hands, the forepart thereof, there are some interesting tables and I shall quote the personnel for the Department of Agriculture as found on page 41 of this volume. Department of Agriculture, 1961 actual, 102,557; 1962 estimated 110,934; 1963 estimated 116,388.

However, I should inform the gentleman that these figures are all inclusive. They include those temporarily employed for fighting forest fires. They include many who are in this category of people who are not under civil service and are employed temporarily for various projects necessary in the conduct of the Department of Agriculture.

Mr. LATTA. Mr. Chairman, if I may interrupt for just a moment to inquire further, if the gentleman can tell us without too much trouble how many additional employees were authorized last year for this Department?

Mr. HORAN. I do not have those figures.

Mr. LATTA. Can the distinguished gentleman from Mississippi answer that question?

Mr. HORAN. Those figures are available.

Mr. WHITTEN. I do not think we specified the personnel figures for last year. We tried to limit the funds. This year, we tried to limit both to those needs which are most essential. For example, the law provides for taking care of soil conservation districts. We felt we had to provide the personnel. When you create new districts you have the obligation to provide personnel for them.

Mr. LATTA. I thank the gentleman.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. McINTIRE].

(Mr. McINTIRE asked and was given permission to revise and extend his remarks.)

Mr. McINTIRE. Mr. Chairman, I appreciate a few minutes' time during this discussion on this bill. Each year it is my pleasure to appear before the subcommittee handling agriculture appropriations, and I deeply appreciate the courtesy which has been extended to me. I am sure we all are interested in various aspects of this appropriation bill. I am interested in a number of areas, but time does not permit going into each one of them. I would like to call attention of the House to the appropriations in relation to the Federal Extension

Service. In this regard the amount requested was \$2,724,000, and recommended in this bill is an amount which is \$260,000 below that figure. In regard to payments to the States and Puerto Rico, I did certainly want the Record to show that the request here, although there is an increase of \$1 million, is substantially short of that which was recommended by the Association of Land Grant Colleges and Universities. I point out that the salary level of the folks employed in the Extension Service is somewhat lower than that of those employed in comparable classifications of work.

The national average salary level is about \$6,393 per year. I think it is of interest also that the Record show that the Federal share of these expenses has declined from about 58 percent about 30 years ago to the present participation on the Federal level at 39 percent. This is a situation I know the committee has given real study to, but I do think that we should take notice of the fact that these salary levels are certainly not competitive with other levels. This is worthy of further study on the part of the Congress.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. MCINTIRE. I yield.

Mr. ANDERSEN of Minnesota. I wish to compliment the gentleman on the remarks he is making. In the first place, we on the subcommittee had first to make a decision as to whether we would permit any increase in the budget to any extent. We came to the decision reluctantly that on several of the items here like extension, soil conservation operation, and such, for the good of agriculture we should hold this bill down as far as we reasonably could without injury. I join with the gentleman from Maine that we do need further emphasis on creating a kind of salary level for our extension workers that is comparable with that in industry. The gentleman might recall that back in 1946 this subcommittee did break the salary ceiling on extension workers. I should like to see that continued as soon as we possibly can do so through incentive to the States in helping them to raise the salary level for extension workers.

Mr. MCINTIRE. I appreciate the gentleman's comments. I do want to say that I am sure the committee gave this their very careful consideration. The million-dollar increase is of course a step toward this objective.

There is one other point I should like to mention. I would appreciate directing this to the committee chairman, if I may. When I appeared before the committee and in the subsequent memorandum which was made available to the chairman and the committee, I pointed to some work we were doing in Maine in connection with specific pathogenic-free areas, a program of control of poultry diseases. We have a very good program which is at an experimental stage at this time, but which we feel offers some real possibilities in establishing disease-free poultry, not only for the development of strains of disease-resistant poultry but constantly providing disease-free

eggs for laboratory and pharmaceutical use. May I ask the distinguished chairman a question—Could I be assured that the committee encourages the Department to make a comprehensive analysis of the proposals which I have made to the committee, with the idea that the Department then might be in a position to make a recommendation to the Bureau of the Budget for the next fiscal year in connection with the facilities we have in mind?

Mr. WHITTEN. May I say to the gentleman, I would certainly urge attention be given to a full study of the possibilities in this area. There is such a great economic loss each year as a result of poultry diseases that, certainly, if progress can be made in this area, it would be very much worthwhile. I would also point out that in the bill we do have \$1 million available to the Administrator for use in special research projects, which could be used for studies in this area.

Mr. MCINTIRE. I thank the gentleman very much.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. KYL].

(Mr. KYL asked and was given permission to revise and extend his remarks.)

Mr. KYL. Mr. Chairman, I would like to speak for at least 3 brief minutes to the gentleman from Mississippi [Mr. WHITTEN] constructively concerning the Federal crop insurance program. I think it is obvious, though the report indicates that this has been a successful program, that there have been many problems inherent in the Federal crop insurance program.

In the first place, I believe the law itself makes it impossible for the administrator of this program to act responsibly. Let me give you a couple of illustrations. Because there is a date, after which you cannot negate a first application for insurance, and because this is in the nature of a continuing insurance policy which you have to cancel, there is a lot of misunderstanding among farmers concerning the insurance policy itself. I do not think there is any question but what the people who sold this generally, especially at the beginning of the program, were not well acquainted with the law under which they were operating. Furthermore, we have some instances like this. A man buys Federal crop insurance. He pays his premium. Then he receives an indemnity. I am thinking of a case where the indemnity paid was about \$1,700. Then 2 years later the Federal Government writes to this man and says, "We are sending back your premium payment. This land should not have been insured. You owe us \$1,700." The man refuses to pay the money back so they simply deduct this amount from his Federal Government agricultural program checks. In other words, the question I would direct to the gentleman from Mississippi is this. Is there some way that we can write into this law which establishes, and under which the Federal crop insurance operates, some provision which would make the salesmen of the Federal crop in-

surance program as responsible for his actions, and which would make the program itself as responsible for its action, as we have responsibility in a private insurance program?

Mr. WHITTEN. I see no reason why that should not be done. Many contracts contain a provision that after a certain length of time the validity of the contract cannot be contested and the enforcement of the contract cannot in any way be contested. We have on this committee tried to cooperate in every way that we could to bring about the kind of protection that the gentleman is talking about.

This crop insurance has made so much more progress than I ever had any idea that it would. I was here when it failed. And it started out again on an experimental basis, may I say, with the greatest of misgivings. It reached the point last year that we said that, when it covers 900 counties it has gone beyond being an experimental program and it ought to be made available to everybody. Now that it has become big enough to be applied across the board, we ought to start seeing to it that it operates on the order of a regular insurance company. I am of the opinion that what the gentleman has mentioned would probably require legislation. I do not know whether this matter of deciding after 2 years or after 1 year that something was not insurable can be cured by an agency regulation merely saying that it will not be contested. But, certainly, if we are to fix it so that it cannot be contested after a reasonable length of time, I am sure that that would require legislation.

Mr. KYL. I think the agent of a Government body selling crop insurance should be responsible and the agency should be responsible for the salesman under this Government program to the same degree that the salesman is responsible in a private program.

Mr. WHITTEN. I think so too. However, most private contracts provide that a salesman cannot waive the terms of a written agreement, and if you read the written agreement, it may be a little different from the way it was construed. It should be operated on the same basis as a private insurance contract.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. BATTIN].

Mr. BATTIN. Mr. Chairman, I take these few minutes to ask the chairman a question.

In this agriculture appropriation bill there was originally included, a request for funds for a soil and water research center at Sidney, Mont., which is in the northeastern part of the district I have the pleasure to represent. In the bill before us now this has been eliminated, and I wonder if the gentleman would tell me what prospect there is that it might be restored in the very near future?

Mr. WHITTEN. I may say to the gentleman that I can appreciate his interest in this project and its importance to his district. The gentleman realizes the committee was faced with many requests for new projects. The committee took into consideration all the fac-

tors concerned. Since there were \$300 million in projects requested over and above the budget, the committee took the position that at this time we were not in position to enter into the construction of new projects. We felt that further study should be made to see how urgently the projects were required. I am sorry that the gentleman's project fell within the rule and could not be included in the bill by the committee. It has been approved by the Bureau of the Budget. I should think it would be among those to be first considered by the Congress as we follow up the subject in the future.

Mr. BATTIN. I thank the gentleman. I was very much impressed by your opening remark about the necessity of protecting our natural resources including soil and water. I am sure the gentleman will find that this is a project along those lines and that its construction will substantiate what the gentleman says.

I do hope that should the other body in its wisdom seek to add this item to the bill that the conferees of the House will give consideration to its remaining there.

Mr. WHITTEN. I should think we must stand by the general rules of the committee. But it is my judgment that budgeted items usually have a little more standing than those not budgeted.

Mr. BATTIN. Mr. Chairman, I thank the gentleman and yield back the balance of my time.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. MATTHEWS].

(Mr. MATTHEWS asked and was given permission to revise and extend his remarks.)

Mr. MATTHEWS. Mr. Chairman, I sincerely want to thank the committee for aiding me with the solution of a problem that has confronted me in my congressional district. We have in my district a great Naval Stores Research Center at Olustee, Fla., that for years has been doing excellent work in the field of naval stores research. This station was instituted by the U.S. Department of Agriculture in 1931, at Olustee, which is in Columbia County, Fla., and which is located adjacent to our Forest Research Laboratory. This location is an excellent one, because the research work of both laboratories complement each other. The structure used for housing the naval stores research was originally designed for use as a warehouse and was not fireproof. Notwithstanding, research of immense economic value to our State and region has been conducted there.

In the fall of 1960, a fire burned the experimental laboratory to the ground, and much of the valuable research records was destroyed.

Naval stores operations have long been regarded as basic to the economy of a large area of north Florida. Consequently, leading citizens of Columbia County contacted me when the building was burned to ask that I approach the U.S. Department of Agriculture with a view to obtaining an early replacement. This was done early in January 1961, when I conferred at length with officials of the Agricultural Research Service, Department of Agriculture, in regard to

the matter. The U.S. Department of Agriculture thought that they could build a substantial concrete block building to replace the old building burned for an amount of \$30,000. No appropriation would be involved, since agricultural research funds were available in fiscal 1962 for a project of this nature. We thought that this building could be immediately replaced, and I was so notified by the Department of Agriculture.

They had hoped to start construction in July of 1961, so the building would be ready for occupancy by January 1, 1962. However, the lowest bid for the building was \$49,000. An effort was made to keep the building within the \$30,000 limit, but the specifications would not meet the \$30,000 maximum.

I requested this distinguished committee to include an item not to exceed \$50,000 of funds appropriated under "Salaries and expenses" in the Department of Agriculture and Related Agencies Appropriation Act, 1963, for research, which would be available until expended for construction of a building for Naval Stores Research at Olustee, Fla., to replace the one destroyed by fire.

It is my understanding that the language on page 3, lines 1 and 2, "and one building to be constructed at a cost not to exceed \$50,000," will take care of my request. I have telephoned the Department of Agriculture and they have assured me that with this language in the bill, they can proceed to replace the building at Olustee, which was destroyed by fire. I am also pleased, Mr. Chairman, that the Department of Agriculture plans an expansion program at our Olustee Naval Stores Research Station. Many people have looked upon naval stores as a dying industry, but this is not so. Although it is a much smaller industry in my section of Florida than it formerly was, it is still a most valuable economic asset, and has made tremendous gains. I am hopeful that shortly the Department of Agriculture will be able to plan many improvements for this great Olustee Naval Stores Station, and I want to assure them of my desire to cooperate in every way possible in order that this facility might better serve the needs of our naval stores operators and thus contribute to the growing economy of our Nation.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. MARSHALL].

(Mr. MARSHALL asked and was given permission to revise and extend his remarks.)

Mr. MARSHALL. Mr. Chairman, it was my privilege to serve on the Subcommittee on Agricultural Appropriations for 8 years. When I first became a member, my good friend, the gentleman from Minnesota, H. CARL ANDERSEN, was chairman. As a true friend, he was considerate of me in every way. During the next 6 years, the gentleman from Mississippi, JAMIE WHITTEN, was our chairman. His reputation as a friend of agriculture is so well established that nothing I could say would add to his prestige. However, I must say that he is a real student of agriculture and is,

in my estimation, the best informed man in the agricultural field in the United States today.

During my service on the subcommittee, I was associated with four of the present members, the gentleman from Kentucky, WILLIAM NATCHER; the gentleman from New York, ALFRED SANTANGELO; the gentleman from Washington, WALT HORAN; and the gentleman from Illinois, ROBERT MICHEL. Each of these distinguished Americans shares a genuine interest in the welfare of American farmers. It was a great experience to work with them and to know how well informed and conscientious they are in the performance of their duties. Although I did not serve with the gentleman from West Virginia, JOHN SLACK, I do know that he is a valuable addition to the subcommittee.

During my 14 years in the Congress, there has been a revolutionary change in the pattern of agricultural production. The acreage yields of some of our major crops have approximately doubled. The consumers of this country buy their food at a remarkably low cost. In most countries of the world, people spend about one-half of their income for food. In the United States, only about one-fifth of the family income is spent for food. Only 9 out of every 100 people in our labor force are farmworkers. In the Soviet Union, about one-half of the people are engaged in agriculture. In these 14 years, our productive capacity has played a steadily greater role in strengthening the free world. It is the envy of the Soviet Union. Our agricultural production is clearly a victory in the cold war and a weapon that is being more effectively used.

It is not, however, my intention to speak today of the past, but of the future.

Many of my colleagues have expressed the thought that what we call the farm problem is hopelessly insolvable. I do not share this view. All of my life, I have heard the remarks of the defeatists, pessimists, and standpatters. I am not a blind optimist who sees no clouds on the horizon, but I am optimistic about the future of American agriculture. To be otherwise would be to admit that the United States is to become a second- or third-rate nation. This I will not admit.

Farmers and farm programs need to keep abreast of the times. Farmers have shown a readiness to respond to new ideas and to adjust their farming practices to meet market demands. In our economy, however, they do not have the tools to protect their income and security from the very abundance they produce.

What does the future hold? It seems to me that we ought to discuss this first from the viewpoint of the national advantages of a productive agriculture.

For the foreseeable future, the people of the United States need not fear a shortage of food. This prospect, however, is always dependent upon weather conditions; unfavorable weather can reduce our supplies in a comparatively short time. We must always be aware of this possibility and gear our farm programs so as to assure adequate supplies of essential foods and fibers.

We also need adequate production to protect and expand our foreign export trade. About 45 percent of our agricultural export trade is subsidized for the benefit of the low-income areas of the world. This is a powerful weapon in the cold war and must not be neglected. Even more important, this use of food is a great humanitarian contribution to international well-being. If we are to build and maintain peace in the world we must find ways to eliminate disease and poverty. Food will be an important part of that worthwhile effort.

Programs such as the special school milk and the school lunch programs are in the best interest of our own people. Our welfare costs would be considerably higher if it were not for our bountiful food supplies. We cannot overlook the millions who find employment in the handling and processing of food commodities. Our abundance has made it possible for consumers to spend a higher proportion of their dollars for products other than food. From the national standpoint, I am sure there is no disagreement about the need for a strong and dynamic agriculture.

A word about the farmer. His costs of production are great and the financial risk involved in producing his crops places him in an insecure position. He is harassed by rising costs and worried over the lack of income. The years immediately ahead indicate that he may continue to fall behind the rest of our economic groups. He will receive a smaller and smaller share of the national income. He may alleviate some of his problems by efficient management of his resources. The farmer is going to continue to be a good manager and is going to continue to produce to the best of his ability. It is possible that labor and industry will show the same accomplishment in reducing the cost per unit of capacity and will assist the farmer to expand his market, especially in world trade. I fear this is not apt to happen, however. For the farmer to make the adjustments that will be inevitable if world markets are to be maintained will be difficult unless other segments of the economy recognize their responsibilities in this regard.

The outlook for agriculture will depend to a great extent upon the kind of farm legislation we enact. We in the Congress will play a major role in determining whether the farmer will advance on the road to progress or be driven to disaster by chaotic markets. Farm legislation—or the lack of it—will be most important to him in the immediate future.

The administration of farm programs by the executive branch of the Government will also become more important.

To briefly sum up our agricultural problems from a national viewpoint, I am convinced that we will have agricultural abundance and I am hopeful that our consumers will become more aware of the importance of farm programs and better informed about them. I am certain that if they are so informed, we will have farm legislation beneficial not only to American agriculture but to the entire Nation.

The appropriation bill before us meets the yardstick of progress. It is true that more could be done. It is equally true that a more realistic farm program from the legislative committees would bring about considerable monetary savings. This Nation needs a realistic farm program badly.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. ROUSSELOT].

Mr. ROUSSELOT. I thank the gentleman from Minnesota.

Mr. Chairman, I would like to ask the chairman of the committee about a statement that appears on page 29, paragraph 4, of the report, wherein the statement is made that insurance will again be offered in 100 new countries. Is it intended that crop insurance be offered in 100 new "countries" or "counties"?

Mr. WHITTEN. That should be "counties." I regret the typographical error.

Mr. ROUSSELOT. It says "countries" several times. I was a little bit concerned that this was also a foreign aid program.

Mr. WHITTEN. I am glad the gentleman brought out the error. It should be corrected to read "counties."

Mr. ROUSSELOT. I thank the gentleman.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I yield myself the balance of the time on this side.

(Mr. ANDERSEN of Minnesota asked and was given permission to revise and extend his remarks.)

[Mr. ANDERSEN of Minnesota addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. O'HARA].

(Mr. O'HARA of Michigan asked and was given permission to revise and extend his remarks.)

Mr. O'HARA of Michigan. Mr. Chairman, I have taken this time to very briefly refer to the appropriation for the school-lunch program. Members of the House will recall that a few weeks ago a bill amending the formula under which school-lunch funds were to be apportioned among the States passed the House. That bill is now pending in the Senate. At the time the bill was considered by the House Committee on Education and Labor, the committee was of the opinion, after carefully studying lunch program needs of the various school systems that, depending upon the assistance need rate of the particular State, the Federal subsidy should vary between 5 and 9 cents per lunch.

Mr. Chairman, the Senate may very well change the formula adopted by the House and a conference committee will be necessary to resolve the differences and arrive at a final apportionment formula. For this reason, Mr. Chairman, I shall not offer an amendment to this bill to change the appropriation to the amount necessary to supply the 5 and 9 cents of which I have spoken.

However, I do hope after the Senate has finally acted upon the change in the

school-lunch formula either the Senate or the conferees, in considering this bill, can make the necessary changes to provide a subsidy of 5 to 9 cents per meal, depending upon the State's assistance need rate.

Mr. WHITTEN. Mr. Chairman, I have no further requests for time.

(Mr. JENSEN (at the request of Mr. HALPERN) was given permission to extend his remarks at this point in the Record.)

Mr. JENSEN. Mr. Speaker, although there are a few items in this bill to which I cannot agree, I must say this committee is in mighty good, able, honest hands. They have a difficult assignment. There are no more dedicated Members of Congress than WHITTEN, ANDERSEN, NATCHER, HORAN, SANTANGELO, MICHEL and SLACK. Their report which accompanies this agriculture bill, should be must reading for every American young and old. Every member of the committee is an expert on soil and moisture conservation, and so forth, as this bill and report proves, for which every American should be proud and grateful.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), \$57,580,500, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases to the extent necessary to meet emergency conditions: *Provided*, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 3, line 21, strike out "\$57,580,500" and insert "\$56,330,500".

Mr. WHITTEN. Mr. Chairman, when the committee acted on this item the supplemental bill was still tied up in conference, so our committee made provision for funds for the eradication of the screw worm. Subsequent to our action the supplemental bill was agreed on in conference and this problem was met in that bill. We are reducing here the funds that were put in this bill for the eradication of the screw worm, since it was taken care of in the preceding bill. I hope the amendment will be adopted.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. CEDERBERG. While this probably does not pertain to this particular amendment, the gentleman will recall I discussed with him the possibility of having earmarked in this bill funds for research on the sugarbeet problem. I understand the cane people are also interested. Is it correct that there is in the research funds in this legislation \$1 million that can be used for this purpose if the Department is convinced it is necessary?

Mr. WHITTEN. Over \$1 million is now being spent each year on research on sugarbeets and sugarcane. The million dollars covers research generally, and the work you have in mind could very well be included in that. It is an overall figure. The gentleman has discussed this with the subcommittee. It is certainly one of the problems that should be taken care of when possible.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

The Clerk read as follows:

COOPERATIVE STATE EXPERIMENT STATION
SERVICE

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations and other expenses, including \$37,113,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; \$500,000 for payments authorized under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623); \$250,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and \$344,000 for necessary expenses of the Cooperative State Experiment Station Service, including administration of payments to State agricultural experiment stations, of which not more than \$25,000 shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$38,207,000.

Mr. LANGEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to inquire of the ranking member of the subcommittee, my colleague, the gentleman from Minnesota [Mr. ANDERSEN] what consideration may have been given by the committee to the potato research project at East Grand Forks, Minn., that I had occasion to present to this committee.

Mr. ANDERSEN of Minnesota. I might say to my colleague that much consideration was given by the subcommittee to the proposal for this research laboratory, and also several other laboratories nationwide, but in the final analysis the subcommittee decided, as I have stated before on the floor of this House, that we must hold this bill down to as low a level as possible for the good of agriculture and everybody else concerned. I do hope that the laboratory to which the gentleman refers will receive

proper consideration in the next fiscal year.

Mr. LANGEN. May I express my gratitude to the committee for the consideration given. I should like to identify further the unique manner in which this research project was presented to the committee. First of all, it was of such significance that the potato industry as such saw fit to appropriate moneys with which to provide a building. Secondly, the States of Minnesota and North Dakota had both already enacted legislation which would provide a partial distribution of funds for the maintenance of the research project once it was started. Consequently, the only request that was being made here was one of supplementing these funds both from the industry and from the States of Minnesota and North Dakota to the degree that the research project might have been able to progress in the interest particularly of the consumer in providing a variety of potato that would be more adaptable to the advances that have been made in the marketing of potatoes.

Mr. ANDERSEN of Minnesota. The gentleman from Minnesota [Mr. LANGEN] made a very splendid effort in connection with this new laboratory establishment.

What the gentleman said is absolutely correct. This is or should be one of the very first to be agreed to at this time. But again I say, the subcommittee did not want to even open the door. I will say this, that if the other body does put any laboratory whatsoever into this bill in conference, I will do my very best to take care of the situation represented so ably by my colleague from Minnesota.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I am glad to yield to my colleague.

Mr. GROSS. I am glad to see that this bill has been held \$500 million below the spending of 1962. I cannot help but wonder how many projects such as the gentleman from Minnesota has mentioned went into the foreign giveaway bill for the benefit of foreigners. Would the gentleman have any idea how many research projects of that kind went into the multibillion-dollar giveaway bill?

Mr. LANGEN. I should say to the gentleman that it has gone far beyond my ability to be able to keep track mentally of the number of projects that are involved in the foreign aid bill. However, in this instance, this was a very minor amount of money and I think it is an amount of money that would have served the citizenry of this country very well and, consequently, might well have been considered in preference to a number of those contained in the foreign aid legislation.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I yield.

Mr. ANDERSEN of Minnesota. I agree with the gentleman from Iowa [Mr. GROSS] and I compliment him for calling our attention to this inequity.

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if I may have the attention of the gentleman from Mississippi, the chairman of the subcommittee, I notice in Document No. 447 which was sent up by the President, there was a request that the Committee on Agriculture should set aside a certain amount of food for reserve purposes for civil defense. What was the attitude of the committee as to that particular request?

Mr. WHITTEN. The attitude of the committee was that, in view of the tremendous number of retail and wholesale outlets in every section of the United States, a cataloging of what was already available was much more practical. It was thought further that, with all the expense in relation to agriculture, if we added to that expense just to move things from one section of the country to another, we just could not see that it would be a sound investment. For that reason, we did not go along with the recommendation. We simply feel that, with the normal distribution that we have under present conditions coupled with the lack of knowledge as to where we might suffer from any attack, we might move such supplies to where they would be hit, instead of moving them away from where they might be hit.

Mr. HOLIFIELD. Of course, we have the same amount of retail distribution in the area of the school lunch program and, yet, we do set aside a certain amount of surplus foods for school lunches in the understanding that that is one of the beneficial ways of getting rid of our surpluses.

As I understand, it was a request to set aside some of the surplus foods and, as you say, to move some around to places that do not have those surpluses stored so that in the event of an attack on the United States those foods would be available.

Mr. WHITTEN. What I am trying to say is that under existing law the Federal Government has the right to requisition, take over, and pay later.

Mr. HOLIFIELD. I understand that.

Mr. WHITTEN. But it is a longtime position that I personally have taken that for us to set up Government storage with civil service employees taking care of these foods, so that they will be in separate places in sufficient quantities and in good condition is such a big program that you would just be adding expense unnecessarily.

Mr. HOLIFIELD. The gentleman is not against the proposition of having food all over the United States in case of attack, is he?

Mr. WHITTEN. I certainly am not.

Mr. HOLIFIELD. What the gentleman really objects to is that this might take some of the appropriations from the Department of Agriculture. Is not that the real reason?

Mr. WHITTEN. No, I do not think so. The Department of Agriculture has its storage now and in sufficient quantities. I think distributing it around the United States, as it would have to be in a pattern we cannot anticipate, would only lead to further expense of building ware-

houses and transporting these commodities.

Mr. HOLIFIELD. Of course our present distribution of food is not adequate to take care of emergencies.

Mr. WHITTEN. I would remind the gentleman that there is a constant distribution of foodstuffs as they are processed and move out of the area of production.

Mr. HOLIFIELD. Yes, when it is processed it goes into the regular channels of trade. I think this is a matter that ought to be taken care of, certainly, and I am sure it is going to be taken care of, but I do not know that the Subcommittee on Agriculture Appropriations is the proper place to take care of it or that it should be charged against the appropriation for the Department of Agriculture.

It seems to me what we are doing here in the United States is to absolutely ignore this civil defense problem. We are spending about \$50 billion a year for a military program which cannot defend the United States against intercontinental ballistic missiles with nuclear warheads. We are not yet able even with the Nike-Zeus missile and that sort of thing to defend this country against incoming missiles with nuclear warheads, and since we cannot militarily defend this Nation against military attack it seems only prudent that we should be arranging our recuperative and sustaining resources to take care of an attack if it should occur. If it does not occur we have not lost anything. If it does not occur neither do we need to spend \$50 billion a year on a military organization.

The CHAIRMAN. The time of the gentleman from California has expired. (By unanimous consent, Mr. HOLIFIELD was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. WHITTEN. I formerly served on the Appropriations Subcommittee on this matter. I felt then and I still feel that we ought to have a catalog of what is available in the normal everyday life of the city of Washington, Baltimore, or any other large city, that we may know about the turnover and the quantity of supplies available and know what we had to work with in case we should need them. We should know what we have to work with. That is something to be faced.

That is a far better protection under an emergency than for us to set up special programs, build new warehouses, hire more civil service people. The gentleman is an expert in this field; I do not claim to be one. But I do say, to look to those places where we know the supplies are normally kept and where they are in use from day to day, and since the Government has the right to requisition them and pay later, it is much better and much more of a safety factor. It provides for our safety far more than we would with a special program, special warehouses, special caretakers to whom we have to give orders to move it out and move something else in.

Mr. HOLIFIELD. We have special warehouses, we have special caretakers watching them all over the United States to provide corn for hogs and wheat and food grains for chickens, cattle, and so forth. The gentleman is for that, I understand that, but he is not for doing the same thing to protect the people of the United States in the event of enemy attack.

Mr. WHITTEN. The gentleman is carrying me along a little too fast. I said we have these warehouses. I said we have these things scattered all over the United States.

Mr. HOLIFIELD. That is true, for the purpose of storage, but not necessarily near large centers of population.

Mr. WHITTEN. All you would have to do is to change the purpose.

Mr. HOLIFIELD. That is what I am talking about. I have not asked for additional warehouses, or additional civil service people. I am asking if the program can be adapted—and the President thought it could or he would not have sent up the request—some way, if it could be adapted to take care of human beings as well as hogs, cattle, and chickens.

Mr. WHITTEN. Of course, I am for human beings first.

Mr. HOLIFIELD. You would have to keep them alive so they can keep on consuming farm production.

Mr. WHITTEN. If we call on the Department as it moves ahead to do these things, instead of going back and picking them up, it would be much more economical.

Mr. HOLIFIELD. I feel as if the gentleman has made some concession. He is for doing the same as what the President requested.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Minnesota.

Mr. MARSHALL. The gentleman from California is a great student of this matter. Does he know of anywhere in the United States where we do not have these commodities distributed?

Mr. HOLIFIELD. Oh, yes.

Mr. MARSHALL. Where?

Mr. HOLIFIELD. Various commodities are not close to the city of Los Angeles. The city of Los Angeles is one that has very little storage in the city or near Los Angeles. We have 6½ million people in Los Angeles County. There may be some storage. I am talking about a balanced storage program, not just one item. There may be chicken feed out there, and probably is for the chickens, but I doubt if there is any processed food for the human being in case of an attack by an enemy.

Mr. MARSHALL. The gentleman's statement surprises me somewhat, because knowing how close Los Angeles is to a highly productive area, it would seem to me that there would not be any question there at all.

Mr. HOLIFIELD. We do not raise much wheat or corn in Los Angeles County. We raise tomatoes. We used to raise a lot of oranges, but we do not

raise them any more. We raise a little cotton up in the San Joaquin Valley, and a little garden stuff around Los Angeles, but we do not raise too many of the basic crops around Los Angeles. We have more bungalows and people out there than farms.

Mr. MARSHALL. Los Angeles has a great Representative here; Los Angeles is a great city; and certainly he would not want anything to happen to Los Angeles.

Mr. HOLIFIELD. I appreciate the gentleman's compliment. I have heard the gentlemen of the committee compliment each other all afternoon here for doing their duty. It seems to me when a committee comes to the floor and spends most of its time complimenting its members rather than discussing the merits of the bill under consideration, it seems desirable for some of us to inquire why this mutual admiration society goes on. You gentlemen are only doing your duty when you do your committee work on this bill, and I do not know why you should spend so many minutes on the floor complimenting each other for doing your duty.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am interested in this sudden concern as to what will happen if there is a nuclear attack upon the United States. I wonder what the Government is doing, if this situation is becoming more acute, constructing all of these new Federal office buildings in Washington. There are so many under construction it is difficult to get to work in the morning on some of the streets near the Capitol because of the equipment and workmen. I was under the impression that these Government facilities were to be dispersed and built at other places throughout the country. Can the gentleman from Mississippi help me out, since he has been taken to task on the distribution of food? Why is it that all these new buildings are being concentrated in Washington?

Mr. WHITTEN. As the gentleman from Iowa knows, there are a lot of things I do not know, and that is one of them. I really do not know except it is generally understood we should proceed with life and continue to live without being afraid of what will happen to us. I think that we should proceed with the American way of life in the normal order of things and not stick our heads in the sand.

Mr. GROSS. If it is essential to disperse food, is it not equally essential to disperse Government to a reasonable extent? Instead of that, we find it being massed here in Washington, D.C.

Mr. WHITTEN. There are many people who will agree with the gentleman.

[Mr. COOLEY addressed the Committee. His remarks will appear hereafter in the Appendix.]

The Clerk read as follows:

Page 18, line 23:

"AGRICULTURAL CONSERVATION PROGRAM

"For necessary expenses to carry into effect the program authorized in sections 7 to 15,

16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590(o), 590p(a), and 590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$242,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Related Agencies Appropriation Acts, 1961 and 1962, carried out during the period July 1, 1960, to December 31, 1962, inclusive: *Provided*, That not to exceed \$29,100,000 of the total sum provided under this head shall be available during the current fiscal year for administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,750,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amounts shall be available for administrative expenses in connection with the formulation and administration of the 1963 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the 1963 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the 1963 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18,

United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels."

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REUSS: on page 19, line 25, after the colon insert "*Provided further*, That no portion of the funds for the 1963 program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in U.S. Department of the Interior, Fish, and Wildlife Service Circular 39, Wetlands of the United States, 1956:"

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the ranking minority member of the subcommittee.

Mr. ANDERSEN of Minnesota. I understand that the gentleman's amendment does not specifically spell out any certain areas or States.

Mr. REUSS. That is correct.

Mr. ANDERSEN of Minnesota. I have no objection to the amendment, now that it is not aimed solely at my area. Any legislation like this should apply nationwide.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I have discussed this with the gentleman from Wisconsin. We are familiar with it. We have worked this over carefully. Speaking for myself, I have no objection to this amendment. We can watch it and see how it works out.

Mr. REUSS. I appreciate the expressions from both the majority and minority sides. I will not take my full time, but so that all Members may know what is before them, let me say this amendment would eliminate that part of the subsidized drainage program which is particularly harmful to our supply of American waterfowl.

As we all know, our waterfowl population is now at an 11-year low. It is vitally necessary to save the few remaining nesting places. This amendment will not do the entire job. It merely stops the drainage of those pot-holes most vital to wildlife.

I call attention to the fact that the agreement of May 2, 1960, between the Department of Agriculture and the Department of the Interior will, after the adoption of this amendment, if it is adopted, still remain in effect and enable the Department of the Interior to register objections to certain wetland drainage practices not covered by the present amendment.

I also call attention to the fact that this is merely an amendment on an appropriation bill and does not solve the basic question of authorization. It is my hope that the other body will shortly join this body in enacting permanent

legislation curbing wetland drainage harmful to wildlife.

I thank the majority and minority Members, and hope the House will unanimously adopt this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

Mr. MICHEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICHEL: on page 21, line 7, after the colon insert the following: "*Provided further*, that no part of any funds provided herein may be used for the purchase of materials or services involved in the application of any conservation measures on acreage which is diverted from production of agricultural crops for which any kind of payment is made under any other program administered by the Department."

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I wonder if I am correct in my interpretation of the gentleman's amendment. The funds in this bill are to pay for prior contracts which were entered into the Government having contracted to pay for certain things. I just wonder if the gentleman realizes that his amendment, if I read it correctly, will be asking the Government to renege on contracts already entered into and on which money is due in this bill. I think the gentleman means to address himself to the future.

All funds provided herein are to pay for last year's program, where these things were permissible.

Mr. MICHEL. There probably would be an area of doubt here, but what I propose to do here is to eliminate a practice that is currently going on at least in my neck of the woods, and I am not singling out any other section of the country. But under the feed grains program where a farmer diverts his land from growing corn or feed grains and then is paid an arbitrary figure, whatever it may be, in some cases up to \$55 an acre, he turns right around then, after getting that payment, and puts it in a conservation practice under the ACP program and has the Federal Government again pay for 50 percent of his conserving practices on land on which he has already been paid.

Now, to me this is just pressing the golden goose too far. The budget figure was \$150 million. The committee saw fit to raise that to what has been the level for the past 11 years to a quarter of a billion dollars again. Through the life of this program, for example, we have had the Government participating in buying 422 million tons of lime alone to put on land. To me a good measure of this is a production stimulant rather than long-range conserving practices.

I had occasion the other day to run across a newspaper advertisement which reads something like this:

Attention farmers. Free fertilizer and lime. Yes, get a ton free for every ton you buy through your local ASCS office. ACP

initial signup now in progress. Will run through January 15.

You can see, of course, the real pitch, to come in easy at so many dollars, and if you do not get it, somebody else will, and we want to get you in here.

Then you read further down on this ASC sheet; this is from down South someplace, which says:

We have 71 new farms that have participated in the agricultural conservation program this year. Community committeemen have been asked to find farmers that are not aware of cost-share assistance on practices and send them to the ASCS office.

Community committeemen that have sent in five will receive a citation from the State ASC committee. Those that have sent in 10 or more will receive a citation from the Secretary of Agriculture for outstanding service.

Well, now, how crazy can we get? You have some good farmers who know conservation practices and they utilize it on their own land, but here we feel that the farmers generally do not know this and we have to go out and sell them, so we get some inefficient farmer, some farmer who has no good land whatsoever, just begging him to do something to increase the production of something we already have too much of. I can find no rhyme nor reason for this proposition.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman.

Mr. HORAN. I think a sad commentary is some of the political improvements we have made on some of our acres now seem to be worth more than the land itself.

Mr. MICHEL. I think the gentleman has made a good point.

The Chairman raises the question as to whether or not we would be reneging on our contracts. I am not so sure we are. I intend, of course, for this to be a practice in the future and not to be retroactive to what has already taken place. But it seems to me, unless we come to grips with it one day, we may never be able to come to grips with it. I do not see why we should condone a bad practice and compound the felony by saying, "Let us go on with it again this year." Frankly, I think we have a good case here. It is not easy for me to go to my farmers and say, "Look I am voting to cut \$199 million out of the ACP participation." That is what the national average is. Many of the folks up in the New England area tell me that using lime is the only way they can get themselves into the agricultural program and get the 50-percent contribution on lime. So I recognize that I cannot get the support of the folks in that area, but I hope the Committee will support the amendment I have offered.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I dislike to find myself in disagreement with my genial friend from Illinois and fellow member on the subcommittee, but I do believe this amendment should be defeated. Under our present rules and regulations, land that has been withdrawn from cultivation under the soil bank or conservation program cannot be used to raise any

marketable crops. Now keep that in mind—no marketable crops may be produced or sold from this land that has been placed in reserve. What does the gentleman's amendment really mean? It means this: This land that has been withdrawn from cultivation and is in the conservation reserve can receive no ACP funds for the purpose of either a permanent or a temporary cover crop. The farmer pays approximately half of his own money for such conservation. The farmer pays approximately half on this land that has been withdrawn and the balance comes from the ACP.

If the amendment offered by the gentleman from Illinois meant that crops could not be marketed and sold, I would be in agreement. Under present law no crops can be produced or marketed from this land, so what you would have on acres that have been withdrawn would be that they would go up in weeds and bushes and become an eyesore. You would not only disturb yourself but your neighbor as well, because you would have no marketable crops coming from the land.

As I said, the money that is used comes half from the farmer and half from the ACP fund. In addition to that, of course, in this country today we have about 187 million people. We must protect every acre of good cropland that we have, especially with so much land being removed for highways, airports, and subdivisions. This land should have a good cover crop on it to protect it so it can be placed back into production should it be required some time in the future.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I think it would be unfortunate indeed to accept the amendment offered by the gentleman from Illinois. Just recently we reenacted the voluntary feed grain program. The gentleman from Illinois does not, I am sure, want to diminish participation in that particular program. This amendment however, will decrease participation. We do not wish to give an incentive to farmers to break away from the program and increase production. We must have the program if we are to balance production as far as agriculture is concerned.

Mr. NATCHER. I hope the amendment is voted down.

Mr. WILSON of Indiana. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think all of us are interested in some of the things that our distinguished colleague from Illinois is trying to do, conservation, saving the taxpayers money, trying to balance the budget. But there is something much more important involved in this case than a few tax dollars. As the old Chinaman said, as his children inherited the acre of land: Keep it, because God is not going to make any more of it."

We must continue the tree-planting program that was entered into last year. It is true that such a program yields no immediate benefit, but it is a program of conservation. Let us in the Govern-

ment keep faith with the contract we have made. These people who are reforesting this land are not doing it for themselves, they are not doing it for their personal gain. I put out 10,000 trees myself. I did not do it with any thought of recapturing any money from the Government. They will not mature in my lifetime. I bought that land at \$10 an acre and replanted it in poplar and pine to pass something on to posterity and to help conserve this soil, to create some natural resource, timber. The same thing is true of the agricultural limestone program. This program is for soil that is taken out of grain production. It is a measure of conservation. One of the main factors is to get a good cover crop on it so that the soil will not wash away.

I want to go into a little detail about what lime does to the soil. Lime acts as a catalytic agent in the soil. It sweetens sour soil neutralizing acid. If the soil is sweet, the so-called nitrogen-fixing bacteria can live in that soil, and if nitrogen-fixing bacteria can live in the soil, then legumes can grow there. The nitrogen-fixing bacteria attaches itself to the roots, takes nitrogen out of the air and places it in the soil. It is very necessary for plants to grow and produce a cover crop.

In this conservation program a farmer is advised to plant fescue, alfalfa, clover, and timothy. It may be a piece of wasteland, badly eroded. The first year he will see a little bit of grass, not much; the second year it will begin to crowd out the weeds, and the third year the grass is heavy and high. I can show you land I bought for \$10 an acre that you can hardly walk through because it is nothing but grass and clover. You can hardly get through it, and I doubt if a rabbit could get through. That is conserving the soil for posterity use. It is preventing the eroding of the land, the clogging up of streams, the silting up of reservoirs. We have a million tons a year of good soil going down the Ohio and Mississippi Rivers each year, and let me tell you, it will take many years to rebuild that soil on the land.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WILSON of Indiana. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. I want to compliment the gentleman for his constant support of soil conservation. Is it not a fact that in this bill less than 10 percent is for the purpose of conserving our soil, when you take into consideration the operation of the Soil Conservation Service, watershed protection, and the large O.C.P. item. Can we afford not to expend this comparatively small sum of money, a half billion dollars, in conserving soil nationwide? I think it would be foolish not to do everything we can in this direction. Here we deal with the welfare of generations unborn. We must not become another China with our topsoil gone.

Mr. WILSON of Indiana. We cannot afford not to do this. We cannot be penny wise and pound foolish.

There are some other points I want to bring out. For instance, there is a

process some of you people know about called the photosynthesis process.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(W^r. WILSON of Indiana (at his request) was allowed to proceed for 5 additional minutes.)

Mr. WILSON of Indiana. In this photosynthesis process water of the ground and the carbon dioxide of the air is brought into the leaf of the plant and with the presence of sunlight and chlorophyll starch and sugar are manufactured.

Nitro-fixing bacteria enables nitrogen to be stored in the ground year after year, and the nitrogen enables this bare wasteland to grow plants. Commercially manufactured nitrogen when supplied, whether it is liquid or whether it is in the solid form, only lasts a few months at the most. But nitrogen put there on the roots of plants and legumes by the process of the nitrogen-fixing bacteria is there as long as the plant is there. It enables the cover crop to grow abundantly. It prevents rapid runoff of water and floods, it prevents erosion of the soil, the clogging of the streams and of reservoirs.

There is another point I want to make. In our radiation fallout you hear a lot about strontium 90. This results in a lethal sickness, and it may be a very serious thing to our habitat, to our livelihood. But if lime is present in the soil, the plant will absorb the lime in lieu of the strontium 90. In fact, the lime reduces the absorption of strontium 90 by 30 to 50 percent and provides calcium that we need for healthy bodies of men and animals; the animals that we eat.

I think it is very important that we keep faith with our farmers and provide this lime so that we can conserve this good earth for the immense population that we are going to have to supply with food in the next 40 or 50 years.

Mr. HORAN. Mr. Chairman, I rise in support of the original amendment, and in the interest of clarification, I ask unanimous consent that the original amendment be again read.

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The Clerk again reported the Michel amendment.

Mr. HORAN. Mr. Chairman, I rise in support of the amendment. I submit that all this amendment does is to try to put a limitation on the amount of different types of benefits that can be had out of Commodity Credit or out of agricultural production on 1 acre of land. We found considerable confusion among the wise men down at the Department when we interrogated them about these dual payments on 1 acre of land.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Illinois.

Mr. MICHEL. Actually, what we are trying to do is to eliminate double payment. When the Secretary of Agriculture was before our committee I raised this question and I said, "Do you know that this can happen?" And he said,

"It can happen." However, on page 188 of the hearings, Secretary Freeman said, "I know of no circumstances where this would occur." And, I told him in response that it can happen and does happen. Then Mr. Beach, one of the underlings, said:

Where the man who participates in the feed grain program puts the conservation practices on the land with ACP * * * it is certainly all right.

So, what we have here is a dual payment on the same land, by the same Government, and to me it is unconscionable to continue that kind of practice.

Mr. HORAN. Mr. Chairman, I feel that this amendment has great merit. I believe it clarifies the situation. I have listened here to all of the usual angles and speeches on soil conservation that I believe in myself, but I think we have something here that this body of men should give some consideration to, because if you can make two payments, why not three or four? That is one way to earn a living.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I said earlier that I thought this applied to funds in the bill and already committed. I have some doubts as to the correctness of that statement. May I point out that, under the bills that you passed here the other day, the purpose announced in the law in each instance was to get the farmers to take land out of production and to keep the land in condition. We said that if the farmer will reduce his production and take this acreage out, payment will be due. But, in the same act one purpose was to try to get this land in shape. I say to you that the amendment offered is very unsound. Those that felt that the ACP program has been a relief program or a payment to farmers back through the years are just against the program, which is their privilege. I think it would be very unsound to go back on this legislation I am talking about, and to get him to take his land out of production and through this amendment say we are not going to help him protect or improve this land, even though he cannot get anything from it in the way of crops. I say again that, as to the land removed from production, there is more reason to take care of it and have it under the agricultural conservation program than land that is in cultivation.

I think in each instance that it is to the national interest that, through leadership and contributions we try to get the farmers to put up their money and their time and effort in trying to protect this land for the future. I think that is spelled out in each agricultural act beginning with past administrations and is true under contracts now in existence.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I am glad to yield to the gentleman from West Virginia.

Mr. STAGGERS. I would like to say that I am opposed to the amendment. I say this: If there is any part of the farm program which helps the small farmers of America, it is the ACP pro-

gram which gets down to the little farmers who need help and not to the big farmers on the land where we are spending all of these tremendous sums of money. If this does get to the small farmer, I am opposed to the amendment.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. BREEDING. I would like to take this opportunity to say that I am opposed to this amendment. I think this is a soil-building practice which we have in this law. I think it preserves conservation and the fertility of our soil for future generations. I think this amendment would certainly cripple the program. Therefore, I am opposed to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MICHEL].

The question was taken; and on a division (demanded by Mr. MICHEL) there were—ayes 58, noes 108.

So the amendment was rejected.

The Clerk read as follows:

OFFICE OF INFORMATION SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,610,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-three thousand and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

Mr. PELLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PELLY: On page 24, immediately before the period in line 7, insert the following: "*And provided further*, That no part of the amount appropriated by this paragraph shall be used for the printing or reprinting of any bulletin or other publication relating to sewing".

Mr. PELLY. Mr. Chairman, my amendment is self-explanatory, except I think that a word or two as to its purpose is in order.

As the Members know, it is customary for Members of Congress to send out lists of farm bulletins to constituents and in turn these constituents can order bulletins on subjects that are of interest to them.

A list of these publications that are available, as of March 1962, showed some 32 subjects are covered; a total of 441 different bulletins which can be ordered.

My amendment would eliminate the subject of sewing and prevent the reprinting of nine bulletins only. The fact that this one classification has nothing to do with agriculture or farming is one reason I would eliminate these nine bulletins from the list. But, I would be less than honest if I did not say that the purpose of my amendment is to make a start toward the eventual elimination of all of these bulletins. Looking through the list of titles I could name a great many more which seem to me to have no justification and I certainly think that in general it can be said that farm bulletins are a waste of the taxpayers' money. I favor cutting them out by degrees and especially I favor deleting titles that have no relationship to agriculture. As to sewing one would think that we do not have schools that teach home economics or one would think we do not have rural libraries with books on such subjects.

I will admit, Mr. Chairman, that the saving involved in this amendment would not be substantial in relation to the total amount of the appropriations bill being considered. However, as a matter of principle I offer it and I know there are many citizens who object to their money being spent for purposes such as farm bulletins and consider it an unwarranted expenditure of public funds. I urge adoption of the amendment. What possible use to agriculture is a bulletin entitled, "Mending Men's Suits" or "Pattern Alteration." Or, here are the other titles my amendment would cut out: "Fitting Coats and Suits," "How To Tailor a Woman's Suit," "Buying Your Home Sewing Machine," "Simplified Clothing Construction," "Child's Self-Help Overall," "Sewing Machines, Cleaning and Adjusting," and "Fitting Dresses." My amendment would not remove such titles as "Eat a Good Breakfast * * * To Start a Good Day." Or "Men's Suits * * * How To Judge Quality." I repeat, Mr. Chairman, this amendment should be adopted.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Did I understand the gentleman to say that he did not send out requests for farm bulletins?

Mr. PELLY. I have a city district which would probably explain one of the reasons my people are not interested. But I want to commend the gentleman from Missouri, because I know in the years gone by he has always tried to cut down the printing bill to the taxpayers, and I am sure he is going to support this amendment.

Mr. JONES of Missouri. Those sewing bulletins are among the most popular that are put out. I think they do probably more good to help the farm wife who is trying to live on a very meager budget. It would certainly be one of the last things I would cut out if I were going to cut anything out; and I am not in favor of cutting anything out.

Mr. PELLY. I am sure the gentleman remembers that when Members of Congress could send out seeds they were very popular, too.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment ought to be defeated. We brag about our 4-H Clubs. The 4-H Clubs make use of these bulletins. They make use of these bulletins because the girls taking 4-H training and they learn how to do things from these bulletins. I know in my community the women get a great deal of good out of these bulletins. The home demonstration agents of the Extension Service make a lot of use of these bulletins.

My wife has made use of these bulletins and I am not too proud to say that she has altered my clothes, she has made my clothes, and many of my neighbors have made clothes for their menfolk that were good clothes. I want to say to you that if some people had their way, the farmers would have no way to replace the clothes that they wore out. They want to do away with these farm programs that we are talking about.

Farm wives of this country are going to be in a position of making a lot of clothes. I think this money is money well spent. I hope that none of my colleagues have to go home, to their rural communities particularly, and have to say to their people that we have denied them the information that they always thought was so valuable in trying to keep their homes going.

Mr. Chairman, I urge the defeat of this amendment.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. ANDERSEN of Minnesota. Is it not true we have about \$160 million in this bill for research? Would it not be rather farcical to appropriate that money for research and then not disseminate the knowledge gained thereby to the people who can use it to better farm living?

Mr. MARSHALL. I am sure my colleague will agree with me we are carrying on very valuable research on apparel right here at Greenbelt.

Mr. ANDERSEN of Minnesota. I suggest to my friend, the gentleman from Washington [Mr. PELLY] that he go out and see the work they are doing out there. He would not offer such an amendment as this. I feel sure he will not push this to adoption.

Mr. MARSHALL. To deny the people an avenue of assistance from that information would be the height of foolishness, in my opinion.

Mr. Chairman, I urge the defeat of the amendment.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it had not been my thought to participate in this debate. Uniformly I have voted for farm legislation. But I do wish to take this opportunity to give some testimony as to the reception of those bulletins in my district. There are no farms in my district, but I send out a list of the available publications, and the response has been larger among the people in my district to this publication than to any other publication offered. So as a city fellow,

I want to say that this is one of the programs that is building a greater understanding and community of interest between the farmers and the city people.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. PELLY].

The amendment was rejected.

The Clerk read as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said Act and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, as follows: Rural electrification program, \$400,000,000, of which \$100,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1963 under the then existing conditions for the expeditious and orderly development of the rural electrification and rural telephone programs; and rural telephone program, \$80,000,000.

Mr. MICHEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICHEL: Page 25, line 20, before the period insert a colon and the following:

"Provided, That of the amounts authorized to be borrowed herein for electrification loans, not to exceed \$150,000,000 may be used for generation and transmission loans."

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, this amendment that I offer here today is one which all of you can support regardless of how enthusiastic a supporter of the Rural Electrification Administration you are or have been in the past. The only point I am trying to make here is that we turn this program back to its original purpose, that of providing electricity for the farmers by way of distribution. What we have seen by what I have tried to point out in my earlier remarks in general debate is that the program has taken a turn from distribution and gotten more and more into the field of generation and transmission.

What has happened in the last few years? This is not a sacrosanct organization. We found out that some of the REA's were borrowing money from the Federal Government at 2 percent and then reinvesting it in Government securities at 3 to 4 percent. We think that is wrong. We think the Government has corrected that to a degree by some of the new regulations.

Then I pointed out to the House that the REA loaned some \$25,000 or more to a snowmaking operation for a ski resort in Illinois, which to my mind is stretching the REA Act pretty far.

We find indications and I have several instances brought to my attention where there has been a pirating of industry which comes into play where an industry will locate in a certain area because if the REA is granted a loan it can provide cheaper power as against another area across the river where they cannot get REA power. The magnitude of the G. & T. loans have gotten to this point. In 1961, 30 percent of all the funds that

we appropriated for the REA went for one generation and transmission line. Indiana received \$60 million. In 1962, there was six loans which aggregated over 40 percent of the amount appropriated here for the whole REA program. Then I bring to your attention this matter of the failure to get information.

I wanted to amend this report, but it was ruled out by a three-vote margin in our committee, to require every loan application in excess of \$5 million to come before our committee so that we could take a look and see what it is actually for. That would have involved only seven loans that we would have taken a look at. Look at the Bureau of Reclamation, the Corps of Engineers. Look at what justification you gentlemen require before your committee to get to approve a loan. Do you think we got that kind of information in our committee? No. I am sorry to stand up here as a member of the Committee on Appropriations and tell you that your subcommittee does not have that information. Just the other day on the Colorado-Butte loan that came into play through a court process where the Colorado Power Co. went into court and asked Mr. Norman Clapp, the administrator to bring out some information and he said, "No." The Department of Justice entered a motion to quash. The Public Service Co. of Colorado came into the circuit court here in the District of Columbia and asked Mr. Norman Clapp to produce his records and what do you think he said, and I have it incorporated in my remarks that were made during general debate. Not even the court can get the information out of the administrator. He said, My underlings have it. I do not have it. I have to come back in August and tell you whether or not and this and that in answer to what you asked me to produce here in court. The court does not get the information. What am I actually doing? Last year we appropriated \$245 million for the rural electrification program. This year they come in and asked for a \$100 million increase plus a \$55 million transfer from the telephone account. I say, We raised that figure to \$400 million this year. I am not quarreling with that \$400 million total figure. I am not moving to make it \$100 or \$150 million. I am for giving them everything they want. What I am doing is writing in a limitation that no more than \$150 million can be used for generation and transmission purposes. What did they use last year? In this last year \$98 million went for generation, \$56 million for transmission and \$103 million for distribution. So here is the total of the generation and transmission, \$155 million. My limitation says \$150 million. Why? Because of the total \$400 million that we are going to give them in this bill, I am concerned that we get over into this area where they are appropriating nearly 60 to 65 percent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ARENDS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. I am just saying, and I am recognizing full well that Members on both sides, who whenever we get into the area of rural electrification have a really sensitive problem. My own position is, I would personally like to cut \$100 million out of the figure, but I do not want to stand up here only for my own purpose and demagogue the issue. I want to win on this one because I think it is an important issue and one that we have got to come to grips with. I say to get the rural electrification program back on the original track which Sam Rayburn said was never to compete with private utilities or private industry. We just want to get electricity to the farmers and when they are using more electricity on the farms and need lines beefed up, I say let us give it to them in distribution, but not in generation and transmission.

Mr. BATES. I agree with the amendment except I do not believe it goes far enough. As I understand the situation, the REA now borrows money at 2 percent and if they have a surplus they buy Government bonds that yield 3 percent.

Mr. MICHEL. This has happened in the past, and even in cases where the earnings are in excess of that amount.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield.

Mr. SANTANGELO. Is it true that when some of these REA cooperatives have the power—generate and transmit their own electricity—that the result is that through this operation rates in the area go down and the consumer gets a break?

Mr. MICHEL. So far as the rural electrification rates are concerned.

Mr. SANTANGELO. No, the private power company rates go down when they see the threat of an REA cooperative coming in to generate and transmit.

Mr. MICHEL. I will say frankly to the gentleman that when I am on the other side of the table from private utilities I take the position of the REA; when I am on the REA side of the table I take the position of the private utilities. Costs come down.

What I am saying, however, is that here is \$150 million for these people downtown to use as a threat to build generation and transmission facilities to make the private power companies come down on their rates.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield further?

Mr. MICHEL. I yield.

Mr. SANTANGELO. Is it not true that this competition is taking place in the suburban areas which were farm areas at one time when the REA went in; that now the private utilities companies want to come in and take over the REA development?

Mr. MICHEL. There are some who would like the Federal Government to turn it over to them lock, stock, and barrel. I do not subscribe to that. We are not going to say that we will turn

these REA developments over to private utilities lock, stock, and barrel. This is the issue.

Mr. SANTANGELO. If the gentleman will yield further, I think the issue is whether the consumer is getting an even break on the rates from the private small power companies, whether the consumer gets the benefit. I think the REA is a great influence in the consumer getting a better rate.

Mr. MICHEL. Let me cite, if I may, some figures from both the private utilities and from the REA operations. According to the NEC the cost of power from investor-owned electric companies declined from 1.24 cents per kilowatt-hour in 1940 to 0.80 cents in 1958, or a decline of over 30 percent; whereas the cost of power produced by REA's from 1940 to 1958 dropped from 1.28 cents to 1.11, or a decline of a little over 9 percent for the users of the REA.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield.

Mr. SANTANGELO. I think the gentleman has made a good point. I think it requires a little more study. I do not think that up to this time we have made sufficient study as to the effect, if we should approve it at this point. I trust the gentleman will forgo this amendment at this time so that next year the committee can go further into the matter and possibly support the gentleman's amendment.

Mr. MICHEL. But in the meantime the gentleman must admit that we are being asked for \$155 million more this year than last year, and we do not have the information on which to make a good sound judgment. Remember, this is the taxpayers' dollars we are dealing with.

Mr. SANTANGELO. I went into the setup of REA 2 years ago and they supplied me with all the information I asked them for, all the cost figures, the amount of loans and liquid assets. Frankly, I was surprised that the gentleman could not get the information he wanted from the REA.

Mr. MICHEL. If the gentleman could get all that information it seems to me strange that the U.S. Circuit Court could not get the same information. But this is not the information we are talking about, and there is no question but what we are being denied what is rightfully ours, and what is the American people's right to know.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

(On request of Mr. FORD and by unanimous consent, Mr. MICHEL was allowed to proceed for 5 additional minutes.)

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I gladly yield to the gentleman from Michigan.

Mr. FORD. I want to compliment the gentleman from Illinois. I think he has done a first-class job in raising this issue as well as several others, not only in the full Committee on Appropriations but also on the floor of the House. I can see no reason whatsoever for not requiring the REA to submit to the gentleman's committee or any other legislative, or

executive, or judicial branch or its constituents the information which is essential and necessary for a sound judgment to be made.

I think his amendment is a proper approach and will be helpful in giving the Congress the kind of information which is essential for ourselves in making such judgment.

(Mr. FORD asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. I thank the gentleman from Michigan for his contribution. I will say that the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY] in one of the bills that came before us recently, the one that was defeated, in an official report of that committee there was expressed some concern about our right to know and make an evaluated judgment. I hope by the enactment of this limitation we can keep things in proper perspective until next year when the Committee on Agriculture can legislatively do something, if that is really what is required.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. COLLIER. The gentleman from New York mentioned that the consumers were getting a break under certain conditions. Actually, we are talking about a given number of consumers.

Does not the general taxpaying public pay for this so-called proposition, or am I under a misapprehension?

Mr. MICHEL. You can say that. Let us not get away from what the original purpose of the act was. It was to get electricity to the farms. We have now 97 or 98 percent of the farms electrified. That is good. I do not think that the private companies would have gotten the job done as quickly as we have done it through this kind of a program. But let us keep it on the original track.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I commend the gentleman for his amendment and urge its adoption. The REA's have performed some things that are completely outstanding and startling. For example, there is an REA up in Plymouth, N.H., that used the money given to them by the Federal Government to go right across the river and buy all of the stock of a private power company. They are borrowing the money at 2 percent from Uncle Sam, they are lending their wholly owned subsidiary this money and charging them between 4 and 5 percent on the money. They are under absolutely no control. This does not affect any new REA's. All the gentleman's amendment requires is that the REA's will come before congressional committees and give to these committees some kind of information with regard to the facilities they want to erect, as the Bureau of Reclamation or the Army Engineers do. This is a good amendment and should be adopted.

Mr. Chairman, for the past 25 years or more we have been giving REA a blank check. They come before the Congress every year asking for an authorization to call upon the Treasurer, which means the taxpayers, for hundreds of millions of dollars without one scintilla of justification or explanation of what they need it for.

I am going to give you a few reasons of why I think they should be required to tell the Congress in detail what they need these loan authorizations for.

The REA approved a loan to the Colorado-Ute Co-op, a generating and transmission cooperative in Colorado, in an amount of \$15,602,000 to construct the first unit of a steam powerplant, the ultimate cost of which is to be about \$120 million. This loan has nothing to do with the co-op's requirements. In fact, power presently available to the co-op members is far in excess of their requirements for the foreseeable future. The purpose of the steamplant is to supplement the Bureau of Reclamation's power. It would have been just as well for the Government to have permitted the Bureau to build the steamplant, in fact better because the Bureau would have been required to return interest on the investment at 2½ percent or better and the co-op will get Federal funds at an interest of 2 percent.

There was absolutely no necessity for this loan. The Bureau of Reclamation is under the jurisdiction of the Interior and Insular Affairs Committee, of which I am a member, and if it had been in the public interest for them to have a steam plant in connection with their hydroelectric developments on the upper Colorado River project, the Insular Affairs Committee is the proper place for that decision to be made. But they would have had to justify it before the committee. It seems they can accomplish the objective without the Congress having any say in the matter by using the blank check we give REA.

Another example is the Basin Electric Cooperative loan in South Dakota. Fourteen electric power producers in the Missouri River Basin marketing area, including 12 electric companies, offered to supply all of the supplemental power the Bureau might require. That did not suit the Bureau and the public power zealots, both in and out of the Bureau. The Interior and Insular Affairs Committee was not consulted—it might have said no—so once again the REA with its blank check was used. This loan was in the amount of \$36 million.

Once before I called your attention to the fact that Medina, a generating and transmission co-op in southwest Texas, obtained an REA loan to build a steamplant in an area where there was an abundance of low-cost power available to its members. Medina borrowed 2-percent money from REA and then loaned \$675,000 of this money to a privately owned gas company, Coastal States Gas Producing Co., at 5 percent interest to construct a gas pipeline to deliver fuel to Medina's generating plant. The Comptroller General questioned this transaction in his fiscal year 1958 report.

Now, Mr. Chairman, I have received another piece of startling information in connection with REA and its loan shenanigans. Some years back, New Hampshire Electric Cooperative of Plymouth, N.H., bought the stock of White Mountain Power Co. in New Hampshire. That transaction alone should have been subject to censorship as it was completely outside the intended sphere of electric cooperative operations. The White Mountain Power Co., a private corporation, remained under the jurisdiction of the State public utility commission even though it was an entirely owned subsidiary of the New Hampshire Electric Cooperative. The New Hampshire Electric Cooperative has been borrowing funds from REA at an interest rate of 2 percent while at the same time lending money to its subsidiary, a private corporation, at 4 percent interest.

The cooperative borrowed \$820,000 from REA in 1955, \$100,000 in 1958, and \$1,854,000 in 1959. During this time in 10 separate transactions it loaned a total of \$1,024,013 to the White Mountain Power Co. Is the Congress so disinterested in the mismanagement of public funds that it is willing to wink its eye at such transactions as this? No wonder we are unable to balance the budget.

Mr. Chairman, I have only cited a few of the transgressions of REA and the cooperatives to which it so freely lends tax funds. With a little investigation, I am sure the ones I have mentioned would only scratch the surface. The ones to which I have called your attention are disgraceful. They show the abuses we can expect when the Congress is so negligent in supervising the handling of Federal funds. I was astounded when the gentleman from Illinois [Mr. MICHEL], the author of the pending amendment, told us that the great committee of which he is a member refused to direct the REA to submit to the Congress justifications for all of its contemplated loans in excess of \$5 million. It should be required to justify in detail every loan it contemplates.

The pending amendment, which limits REA loans for G. & T.'s to \$150 million, is just \$150 million more than it has justified. I do not believe that the gentleman's amendment goes nearly far enough. We should deny all funds for REA until they have been justified before the proper committees of Congress. I am supporting the pending amendment because it is a small step in the right direction but I intend to vote against all funds for REA until we receive and have a chance to examine detailed justifications.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. May I ask the gentleman, does not his amendment limit the amount that can be loaned for generating facilities in a rather arbitrary way? You have not been able to determine exactly what the need might be.

Mr. MICHEL. When the REA came before our committee the first of the year, they asked for an increase of from

245 to 345. They stated there was \$200 million worth of applications on file, and they also asked for an additional transfer figure. They did say, however, that in the productive year ahead they would like to get into generation and transmission to the tune of 60 or 65 percent of what we appropriated. This past year it was 56 percent. What I am saying is that this is too great a percentage for generation and transmission, and we are actually giving them within \$5 million of what they had last year especially for transmission and generation purposes.

(Mr. BATES asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BATES. Mr. Chairman, I rise in support of the REA amendment offered by the gentleman from Illinois. I think the proposal is eminently reasonable and, if anything, does not go far enough.

The reason I think the time has come for us to apply some restraint to this REA program was brought out during the appropriations hearings last year when Mr. Clapp was questioned about what the co-ops are doing with their reserve assets—and that is just another euphemism for profits. I do not have the figures updated to the end of fiscal year 1962, but I can tell you what Mr. Clapp told the Appropriations Committee the figures were as of the end of December 1959. At that date, rural electric cooperatives had reserve assets totaling \$485 million. That is, they had \$485 million that they did not quite know what to do with. And so the committee questioned Mr. Clapp about this money and it found out that some \$250 million, that is, about 51.7 percent of this total, was invested in Government bonds which are paying considerably more interest than the 2 percent which REA now charges all borrowers. In other words, what this means is that we lend rural electric co-ops money at 2 percent to do business with and then when they accumulate some reserve, they reinvest it in Government bonds and make a profit off it.

Last year Mr. Clapp was asked the interest rate on these Government bonds. Mr. Clapp eventually presented the committee with a table showing the interest rates on the different types of bonds, and the table showed that the average for the Government's marketable obligations was 3.140 percent for 1961 and for the nonmarketable obligations, the average was 3.261 percent. The total for all public issues was 3.168 percent.

Now, the Members may recall that in the previous administration there was some concern about this situation where the co-ops were making a profit out of the Government with Government money. And so, the former Administrator, Mr. David Hamil, introduced the 2-percent Treasury bonds for the co-ops to invest in, and he went about encouraging them to do so. But Mr. Clapp informed us last year that there was only some \$16 million invested in these 2-percent Treasury bonds by co-ops and this \$16 million is not included in the \$250 million I mentioned previously.

Now, to me, this is a pretty serious situation and I think it indicates to us

that we are going to have to be much more careful about lending the taxpayers' money to REA in the future. This is the kind of situation the public does not like and which will have them down on our necks the moment they begin to grasp just exactly what is happening here. They would have every right in the world to ask us why we are lending \$400 million when the co-ops have over \$250 million lying around invested in Government bonds on which these co-ops are making a profit. And if I were asked that question, I don't think I would know how to answer it.

Last February, REA issued a bulletin on the control of general funds, but the Deputy Administrator recently admitted that REA actually had no means of enforcing such policy unless the borrower had a loan application before the agency. He said:

We cannot make them do things they are not inclined to do, which are not within the requirements of the loan contract and mortgage, unless a loan application is before the agency.

In other words, nothing can be done, according to REA, about requiring borrowers to dispose of their high interest paying securities unless they need more money from the Government.

What the Deputy Administrator failed to tell the committee is that in cases of excesses the REA standard mortgage form provides that REA can accelerate the borrower's loan repayments. In such cases, the Administrator should apply this provision in an effort to reduce the amount of 2-percent money that borrowers have reinvested in Government bonds yielding a greater interest rate.

As some of the other speakers have already noted today, this REA program is getting out of hand. Some of these cooperatives now are big and powerful. They could stand on their own legs. But as long as they have the law on their side, and as long as there is an Administrator in office who will try to get from the Congress ever-larger amounts of loan funds every year, you cannot blame these co-ops too much. They will keep coming back for this cheap 2-percent money as long as there is any left in the kitty.

So the burden comes back to the Congress. It is our responsibility to put a stop to this situation, and I think the gentleman's proposed amendment is a step in the right direction. I hope my colleagues will join me in supporting his amendment.

(Mr. ANDERSON of Illinois asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ANDERSON of Illinois. Mr. Chairman, I regard it as a privilege to rise in support of the amendment offered by our distinguished colleague, the gentleman from Illinois [Mr. MICHEL]. His amendment can only serve to shed some very sorely needed light on what has been a dark corner of the Federal Government.

We in the Congress have heard much about the problem of secrecy in the Government. The gentleman from California [Mr. MOSS] has done much to eradicate unnecessary Government se-

crecy through the work on his subcommittee of the Committee on Government Operations. But I am certain he would be appalled at the attitude taken by the Rural Electrification Administration and the Department of Agriculture with respect to a recent generation and transmission loan granted by the REA.

An electric power company in Colorado went to court last week and obtained an order directing the Rural Electrification Administrator, Mr. Norman Clapp, to submit to the taking of a deposition and to produce REA's files in the matter of a generation and transmission loan granted in March to a rural electric cooperative group in Colorado. In response to the Federal court order, Mr. Clapp made himself available to counsel for the company in his own office last Friday, July 20, but the company attorneys came away practically empty-handed because of the attitude taken by Mr. Clapp at the direction of the Secretary of Agriculture, Mr. Orville Freeman.

In the court earlier last week, counsel for the REA sought to prevent the taking of a deposition from Mr. Clapp and the production of documents by claiming that the documents in this Colorado loan case were confidential and privileged. When the court issued its order directing Mr. Clapp to appear in his own office for the taking of an oral deposition and for the production of his files, it obviously felt that the information in the case was not confidential and privileged at all.

It is not fair to say that Mr. Clapp gave counsel for the company nothing. He did give them two documents. One was REA's letter to the cooperative acknowledging receipt of an application for a loan of some \$15 million. The other was REA's telegram to the cooperative informing the cooperative that the loan had been granted. Beyond these two documents Mr. Clapp produced nothing and said nothing, except to note that he was acting in accord with directions received in writing from Mr. Freeman.

Mr. Clapp did agree to a postponement of the proceedings under the Federal court order until August 20, at which time he would act in accord with any further instructions received from Mr. Freeman.

Mr. Chairman, in this situation we see that two responsible Government officials, appointed by this administration, Mr. Freeman and Mr. Clapp, have placed themselves above the court in a matter involving use of Federal funds provided by the taxpayers of this Nation. The loan of some \$15 million was made with funds appropriated by this Congress and the REA never told anyone in advance of the appropriation that it contemplated loaning this much money for generating facilities of a rural electric cooperative in Colorado. Perhaps I should quarrel with this approach, but I will not at this time.

Subsequently, the REA never justified for the public record the grant of this loan to the Colorado cooperative. It has never said anything more than that \$15 million was loaned to the cooperative for generation and transmission facilities. Yet when an electric power

company which has a vital interest in this matter seeks information from the REA and comes armed with a court order directing the Administrator to comply with the company's reasonable request, the Secretary of Agriculture and the Rural Electrification Administrator simply refuse to cooperate at all. They take the position that they know more about these things than a mere Federal court and they assert that they will make available whatever information they desire, when and if they ever decide, in their wisdom and judgment, that it is proper to do so.

I sincerely question whether the REA is indeed as wise and as all knowing as it believes itself to be or as Mr. Freeman and Mr. Clapp believe themselves to be in this matter. It occurs to me that if the REA sincerely believes that it has acted in good faith in making this loan to the Colorado cooperative, it should have no objection to providing facts to the company for use in a contract matter with the rural cooperative. But perhaps its silence means that it realizes that it has made a bad loan, one that is not defensible at all.

I urge the Members to support the amendment offered by the gentleman from Illinois [Mr. MICHEL] as one step in placing the REA on record that we in the Congress intend to watch its operations more carefully in the future than we have in the past.

(Mr. FORD asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FORD. Mr. Chairman, Congress has acquired its power of the purse with difficulty and by trial and error over a great many years. In this process changes have been made, new procedures have been adopted, and various programs have had to be recast in terms that would permit the Congress to exercise its responsibilities adequately.

In the course of the years, as the programs of different agencies have changed and grown larger, Congress has had to take a different approach so that it could know more precisely what was happening to funds that it approved. Thus, for instance, we find that the Corps of Engineers and the Bureau of Reclamation were required to present a list of projects showing by line item and amount how the recommended appropriation was to be used. Prior to this, these agencies had received the same type of lump-sum appropriations which are now granted to the REA. Now, I do not think there is a Member of Congress today who can deny that the detailed justification submitted by these two agencies is not a vast improvement over the old procedure. Furthermore, it certainly has not harmed the work of those agencies and it has not interfered with their programs. Yet, at the same time, the Congress can say that it has complete control over the expenditure of funds by these agencies and that it knows precisely where every dollar is going.

In my mind, there should be no handicap to the REA Administrator in presenting to us the kind of detail we now receive from the Corps of Engineers and

the Bureau of Reclamation. I think it is our responsibility to demand this kind of detail. More and more this REA program is being criticized and that criticism is a reflection on us, because we have it in our power to see that the program does not become the vehicle for abuses. Although the amendment proposed by the gentleman from Illinois does not come close to meeting my objections to the present procedure involving REA funds, I will support it, because there seems to be no alternative at this point.

Mr. Chairman, over the years I have studied the history of the congressional control over the expenditure of appropriated funds. I believe my analysis may be helpful to others.

Article I, section 8, of the Constitution, specifically assigned to the Congress responsibility for laying and collecting taxes and borrowing and coining money. Article I, section 9, clause 7, of the Constitution provides that "no money shall be drawn from the Treasury, but in consequence of appropriations made by law." I would like to demonstrate to the Congress, how, with respect to the REA program, we can and should exercise this responsibility.

The courts over the years have recognized that the Congress has wide discretion as to the extent to which it chooses to prescribe the requirements and particular purposes for which expenditure of appropriated funds can be made. It has in a number of cases made general appropriations of substantial amounts to be allotted and expended as directed by designated Federal agencies.

Experience has demonstrated, however, that relaxation of controls over Federal expenditures by the Congress has inevitably resulted in abuses. Commencing with the Treasury Act of 1789, which provided for an auditor and comptroller in the Department of the Treasury, the Congress has striven to provide better control and review of Federal expenditures. For the next 142 years various attempts were made to provide for the Congress effective exercise of the power of the Federal purse. In 1921, the Budget and Accounting Act made a number of significant changes in the financial management of the Federal Government. Many are still in existence. The most important development was the establishment of a national budget system by creation of a Bureau of the Budget in the Department of the Treasury, administered by a Director responsible only to the President, and secondly, a General Accounting Office under the administrative direction of a Comptroller General, responsible only to the Congress.

The purpose of the budget system was to provide in financial terms for proper planning, information, and control. With the objective of further improving and strengthening fiscal planning and control, the Bureau of the Budget by Executive Order No. 8248, dated September 8, 1938, was transferred from the Department of the Treasury to the Executive Office of the President.

At the end of World War II greater attention was given by both the Congress and the Executive Office to budget tech-

niques and procedures. In 1946 the Congress enacted and the President approved the Legislative Reorganization Act—Public Law 79-601—which had the following objectives:

First. Streamlining and simplifying congressional committee structure;

Second. Improving congressional staff; and most important—

Third. Reinforcing the power of the purse.

Probably in no field of Government activity was there more progress in budget reform and modernization during the next few years than in the field of Federal public works. And, there were sound reasons for this to happen. The postwar Federal public works program not only was being rapidly enlarged but its base was being spread to unmanageable proportions. Up to the early 1950's the appropriations for the Corps of Engineers and the Bureau of Reclamation were largely of a lump-sum nature. The justifications included lists of the projects from which selections would be made. The Budget and the Congress did not restrict the appropriations to specific projects and the allocations of funds were left largely to the discretion of the construction agencies.

This situation permitted these programs to get beyond the control of the Bureau of the Budget and the Congress and steps had to be taken to correct the problem. In 1951, the Federal budget included a statement indicating the amount of funds to be used for continuing construction of projects and for completion of projects. It also included some financial data on a few of the larger projects. In fiscal year 1952 a new policy was adopted. For the first time the Federal budget presented a detailed list of projects showing by line item and amount how the recommended appropriation was to be used. In this way, the Chief Executive regained control over the formulation of the programs as contemplated in the Budget and Accounting Act of 1921.

Concurrent with these developments the Congress was taking steps to improve the policies, principles and procedures used in its consideration and action on budget estimates. The special studies by the House Committees on Appropriations and Public Works in 1951 and 1952 highlighted the need for full program disclosure of exactly what was proposed in budget requests in order that the Congress, in the appropriation process, might make intelligent and wise decisions as to how and where Federal funds were to be applied. As a result of all of these things, the Congress now determines exactly what funds are to be used in the construction, maintenance, survey and investigation of each project. The agencies are limited in the use of their funds to the stated amounts and to the specific purposes and projects set forth by the Congress. In this way Congress assumes the responsibility assigned to it in the Constitution.

Although the agencies strenuously opposed these changes when they were originally proposed, they now prefer the procedure because they are not now as exposed to pressures for projects as

when they had the prime responsibility for making the decisions themselves.

Corresponding budget progress, modernization, and reform has not taken place with respect to Federal financing of non-Federal facilities provided by public bodies. The projects of these agencies are often similar in character and scope to those undertaken by the Federal construction agencies. Yet, at the present time, their proposals are not subject to the same scrutiny of the Bureau of the Budget and the Congress as that to which Federal projects are exposed in traveling through the tenuous authorization route, let alone the competition and review with which they are faced in securing appropriations for construction. Certainly, most people will agree that in the Corps of Engineers and the Bureau of Reclamation we have two of the most outstanding, respected, and reputable development agencies in the world. Yet, our Chief Executives, and the Congress, have through experience found it necessary to reserve to themselves the decisions on which projects should proceed and the rate at which they are to be constructed.

It is an anomaly when we arrogate to non-Federal entities and the REA Administrator greater trust and responsibility than we are willing to delegate to our own progeny over which we have inherent control. There need be no greater handicap in the administration of the REA program under congressional determinations as to use of appropriations than there is in the Corps of Engineers and Bureau of Reclamation programs. These programs have gained in stature and acceptance through budget and congressional review and decision. Our experience has been the reverse with respect to REA as shown by the reports of both House and Senate Agriculture Committees on the original 1962 farm bill. Both of these committees criticized existing procedures and emphasized the need for improvements.

Lastly, there are no legal or procedural impediments or barriers to adoption of budget procedures for the REA similar to those which experience proved necessary for the Corps of Engineers and the Bureau of Reclamation. The Budget and Accounting Act of 1950—Public Law 784-81—in section 102(a) makes specific provision for the Congress to secure such information as it need in order to act upon budget requests. It states:

That nothing in this act shall be construed to limit the authority of committees of Congress to request and receive such information in such form as they may desire in consideration of an action upon budget estimates.

Furthermore, do not forget that Congress has the basic power and responsibility to decide how Federal funds are to be used. It should assert itself with the REA programs as it has wisely done with the programs of the Federal construction agencies.

It is my sincere belief that the proposals I have presented are not only consistent with but would advance the principles and objectives of the joint Budget-Treasury-GAO accounting team and of

the congressional committees. They also ultimately would be to the best long-range interests of the REA program.

Mr. SLACK. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I am glad to yield to the coauthor of this amendment, the gentleman from West Virginia [Mr. SLACK].

(Mr. SLACK asked and was given permission to revise and extend his remarks.)

Mr. SLACK. Mr. Chairman I support the amendment offered by the gentleman from Illinois [Mr. MICHEL].

On page 2038 of the subcommittee hearing, the REA estimates that for fiscal 1963, there will be 301 applications for a total of \$200 million in loans for funds to be used for distribution facilities. The REA also estimates that for fiscal 1963, there will be 50 applications for a total of \$508 million for funds to be used for generation and transmission facilities.

Of these loan requests, only two will be requests for new borrowers interested in distribution—less than 1 percent of the total. Yet, out of the 50 anticipated generation and transmission loan requests, 10 will be new borrowers, or 20 percent of the total. These figures demonstrate quite clearly that the emphasis of the REA program is changing.

This amendment simply places the emphasis on distribution rather than on generation and transmission, which was the original purpose of the legislation. I urge the adoption of this amendment.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to call to the attention of the House that commendable or not commendable as this amendment may be, you are here changing the intent of the basic law. After all, REA is an independent agency. May I ask of my colleague from Minnesota [Mr. NELSEN], former Administrator of REA, whether I am not correct in that, that Mr. MICHEL is trying to change the intent of the basic law by this amendment.

Mr. NELSEN. In effect this would be a limitation by appropriation, but I would like to call the attention of the membership here to the fact that the points that have been brought out in debate are not corrected by the amendment as proposed. I would like to read to you from the committee report on page 26, where the committee makes this statement:

Testimony presented in support of the 1963 budget request indicates that a larger part is requested for generation and transmission loans next year. In this connection, the committee urges that standards and criteria be developed for use in considering and approving such loans, to make certain that they are essential under the requirements of the law.

Now, I would like to point out to my colleagues that in my judgment this amendment does not get at the criticism that has been submitted in the debate, and it would be my suggestion that the

committee's recommendation be gone into more carefully to determine what the criteria should be. By limiting the amount by a dollar figure we do not correct the problem. I believe there should be some flexibility in the dollar amount, but there needs to be some consideration given to criteria, and I intend to oppose the amendment. I agree with the committee statement, that criteria be set up to make certain that loans approved are in fact essential under the requirements of the law.

Mr. ANDERSEN of Minnesota. Mr. Chairman, it is my contention that this is a matter for the legislative Committee on Agriculture to take up, and I oppose the amendment. I sincerely hope that it will not prevail.

Mr. NATCHER. Mr. Chairman, I move to strike out the last word.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Kansas.

(Mr. BREEDING asked and was given permission to revise and extend his remarks.)

Mr. BREEDING. Mr. Chairman, as a supporter of the REA program in Kansas for many years, I want to comment on this amendment. Briefly, I do not agree with the statements and recommendations contained in this amendment.

I believe that the amendment fails to recognize the consumer-member owner relationship of the rural electric cooperatives and programs for their customers. The electric cooperatives in the First Congressional District of Kansas are certainly seeking the best rates, terms, and conditions on their power supply, and I believe this is true of rural electric all across the country.

In my view, the electric cooperatives are fully justified in insisting on their right to decide on their own power supply arrangements. They, more than anyone else, know what is best for them. They rightly object to being deprived of finances and loan funds for their customers.

The needs of rural America call for a vigorous REA program. Let us determine ways in which to help it do a better job, providing the rural electric cooperatives with the tools to serve farmers and rural people on a first class basis.

Mr. Chairman, I am sure this is an amendment to tie the hands of REA. I am opposed to this amendment.

Mr. NATCHER. Mr. Chairman, REA is one of the great achievements of our present-day Government, and under no circumstances should we permit this organization to be destroyed. This program has operated successfully for 27 years. The adoption of this amendment would simply mean a death blow against REA.

Mr. Chairman, during the hearings on this particular bill we carefully considered this matter. REA and the Department of Agriculture believe that, where power is available from commercial companies at a fair and reasonable rate and at reasonable terms, then the power should be used by REA. Mr.

Chairman, we ought to keep in mind that our REA co-ops today only have 3.3 customers per mile. The public utilities have 40 customers per mile.

The adoption of this amendment reminds me a whole lot, Mr. Chairman, of the little boy who went fishing. He said to the little fish, "Little fish, just hold still. I am just going to gut you. That is all I intend to do to you."

Now, Mr. Chairman, the Administrator of REA in May of this year issued a bulletin, and I would like to read it to the Members of the House.

This matter has been called up on a number of occasions concerning generation and transmission loans. On May 31 the Administrator of the REA issued a bulletin, and I quote:

The purpose of this bulletin is to set forth Rural Electrification Administration loan policy concerning generation and transmission facilities. The Rural Electrification Administration will make loans to finance the construction of generation and transmission facilities under the following conditions: Where no adequate or dependable source of power is available to meet the consumer needs or where the rates offered by existing power sources would result in a higher cost of power for the consumer than the cost of facilities financed by REA, or where generation and transmission facilities are necessary to protect the security and effectiveness of REA-financed systems.

Mr. Chairman, the original authorizing legislation for REA grants the Administrator the right to make transmission loans. What does this mean? It simply means if you adopt this amendment and similar amendments you remove the protection we have to see that our REA co-ops can continue in existence and see that the American farmer, and especially his farm wife, will be benefited by this program.

I say to you, Mr. Chairman, that this is the first step in the death knell of REA if we adopt this amendment. This amendment should be defeated.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the distinguished gentleman from Oklahoma, [Mr. EDMONDSON].

Mr. EDMONDSON. I would like to commend the gentleman for a very fine statement. I have no way in the world of knowing what the intention of the gentleman from Illinois [Mr. MICHEL] is in submitting this amendment. But I am quite certain of this: It is the view of the REA in Oklahoma that it would cripple them severely in their effective operation.

Mr. Chairman, I certainly hope the amendment will be defeated.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I am glad to yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. Is it not a fact that all REA administrators, regardless of political party, have agreed that REA shall always have the right to generate power, when and if a reasonable rate cannot be secured for the energy they must buy?

Mr. NATCHER. The gentleman is absolutely correct. I would like to say at this point, Mr. Chairman, since I

have been a Member of this House the distinguished gentleman from Minnesota [Mr. ANDERSEN], on every occasion, has stood up and fought for the American farmer. I have always commended my friend on this.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Illinois.

Mr. MICHEL. Of course, I would question the gentleman's remark that this is gutting the program, because we are giving them a \$155 million increase over this year for generation and transmission. I said they used probably \$155 million this last year. My limit is \$150 million. I think it is stretching the point a bit when one suggests that I am trying to gut the program when I am not opposing the increase of \$155 million.

Mr. Chairman, what I am doing is simply wanting to write in a limitation on generation and transmission. That is \$150 million worth of flexibility, and that is pretty much.

Mr. NATCHER. Mr. Chairman, I would like to say to my distinguished friend, the gentleman from Illinois [Mr. MICHEL], that in the full committee he offered an amendment to the committee report limiting projects to \$5 million or more. I say to my distinguished friend, he is wrong, and this amendment should be defeated.

Mr. HORAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not want to take up too much time at this late hour of the day, but I want to remind the Members of the House that the whole subcommittee was troubled with this entire subject and that this is not new. The only new thing that has been injected here is a money limitation about which we have had some debate. I would like to read to the members of the committee a paragraph which appears on page 26 of the report:

Testimony presented in support of the 1963 budget request indicates that a larger part is requested for generation and transmission loans next year. In this connection, the committee urges that standards and criteria be developed for use in considering and approving such loans, to make certain that they are essential under the requirements of the law.

In other words, our entire subcommittee is disturbed about this matter. We realize that it is 26 years since the founding of the REA. We can all review, I think with pride, its record. Today we have a changing world here in America and REA is serving that population.

We believe a complete review of this matter ought to be had at this time; and that is the position. There is no confusion in the subcommittee that I know of. I think the House ought to realize that an important issue has been raised here that we ought to clarify.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. The REA Act gives the Administrator authority to make these power generation loans. That authority is much more vital and is much more important than actually making the loan. Having that right to make power generation loans enables the REAs to get reasonable contracts with

the private companies. If we strike out or limit the authority to lend we thereby weaken the bargaining position of the REA associations. In the last year, because of this right to make these loans, the REA associations have worked out much better contracts for wholesale power with the Central Power & Light Co.; Chicago Electric Light Co.; Kansas Power Light Co.; Northern States Power Co.; Southwest Electric Service Co.; the Public Service Co. of Indiana; and others.

The point I am making is that when we limit the ability to make these loans we thereby put them at the mercy of the private companies in working out details of the contracts.

Because we recognized that more and more loans were being made in this area, your subcommittee wrote this provision adopted by the whole committee asking REA to set up certain criteria and standards in connection with future loans. But the act does not provide that we should pass on each individual application. We should not and are not qualified to do.

Mr. Chairman, I urge the Members to defeat the amendment. It seriously jeopardizes the ability of the REAs to get reasonable contracts from the power companies.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, on that I demand tellers.

Tellers were ordered, the Chairman appointed as tellers Mr. MICHEL and Mr. WHITTEN.

The Committee divided, and the tellers reported that there were—ayes 94, noes 133.

So the amendment was rejected.

The Clerk read as follows:

SEC. 606. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

The CHAIRMAN. For what purpose does the gentleman from Kansas rise?

Mr. DOYLE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. DOYLE. I yield to the gentleman.

Mr. WHITTEN. I realize the gentleman has been recognized to offer his amendment. I have been asked to postpone further consideration of the bill until tomorrow, and I wonder if the gentleman would consent to speak on his amendment tomorrow.

Mr. DOYLE. Yes.

Mr. WHITTEN. Mr. Chairman, in that case, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the

bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, had come to no resolution thereon.

TREASURY-POST OFFICE APPROPRIATION BILL, 1963

Mr. GARY submitted the following conference report and statement on the bill (H.R. 10526) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1963, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 2028)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10526) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1963, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 16, and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 15, and 19, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,510,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "sixty"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "fifty"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "fifty"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$64,775,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$33,330,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$32,350,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree

to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "one hundred"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$12,300,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$486,000,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "eighty-one"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,475,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$594,500,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,850,000"; and the Senate agree to the same.

J. VAUGHAN GARY,
OTTO E. PASSMAN,
CLARENCE CANNON,
JOHN R. PILLION,

Managers on the Part of the House.

A. WILLIS ROBERTSON,
MIKE MONRONEY,
ALAN BIBLE,
CARL HAYDEN,
ROMAN L. HRUSKA,
GORDON ALLOTT,
OLIN D. JOHNSTON,
JOHN L. MCCLELLAN,
THOMAS H. KUCHEL,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10526) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1963, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—TREASURY DEPARTMENT

Office of the Secretary

Amendment No. 1—Appropriates \$4,510,000 for salaries and expenses instead of \$4,480,000 as proposed by the House and \$4,540,000 as proposed by the Senate.

Bureau of Customs

Amendments Nos. 2, 3, and 4—Allow purchase of 60 passenger motor vehicles of which 50 shall be for replacement, including 50 police type.

Amendment No. 5—Appropriates \$64,775,000 for salaries and expenses, instead of

\$64,600,000 as proposed by the House and \$65,300,000 as proposed by the Senate.

Coast Guard

Amendment No. 6—Appropriates \$220,000,000 for operating expenses as proposed by the Senate instead of \$217,500,000 as proposed by the House.

Amendment No. 7—Appropriates \$33,330,000 for acquisition, construction, and improvements instead of \$25,000,000 as proposed by the House and \$39,000,000 as proposed by the Senate. The increase over the House allowance provides for replacement of one patrol craft at \$4250,000, replacement of one coastal tender at \$3,000,000, and replacement of three harbor tugs at a total of \$1,080,000.

Amendment No. 8—Appropriates \$32,350,000 for retired pay instead of \$32,000,000 as proposed by the House and \$32,700,000 as proposed by the Senate.

Internal Revenue Service

Amendments Nos. 9 and 10—Allow purchase of 200 vehicles for replacement only, of which 100 may be for police-type use.

Amendment No. 11—Provides \$12,300,000 for temporary employment instead of \$12,000,000 as proposed by the House and \$12,600,000 as proposed by the Senate.

Amendment No. 12—Appropriates \$486,000,000 for salaries and expenses instead of \$480,000,000 as proposed by the House and \$492,000,000 as proposed by the Senate.

U.S. Secret Service

Amendment No. 13—Allows 81 vehicles instead of 74 as proposed by the House and 89 as proposed by the Senate.

Amendment No. 14—Appropriates \$5,475,000 for salaries and expenses instead of \$5,300,000 as proposed by the House and \$5,650,000 as proposed by the Senate.

TITLE II—POST OFFICE DEPARTMENT

Research, development, and engineering

Amendment No. 15—Appropriates \$12,000,000 as proposed by the Senate instead of \$10,000,000 as proposed by the House.

Operations

Amendment No. 16—Appropriates \$3,535,000,000 as proposed by the House instead of \$3,548,500,000 as proposed by the Senate.

Transportation

Amendment No. 17—Appropriates \$594,500,000 instead of \$590,000,000 as proposed by the House and \$599,000,000 as proposed by the Senate.

Facilities

Amendment No. 18—Appropriates \$167,000,000 as proposed by the House instead of \$173,000,000 as proposed by the Senate.

Plant and equipment

Amendment No. 19—Appropriates \$120,000,000 as proposed by the Senate instead of \$116,000,000 as proposed by the House.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

Bureau of the Budget

Amendment No. 20—Appropriates \$5,650,000 for salaries and expenses instead of \$5,600,000 as proposed by the House and \$5,677,000 as proposed by the Senate.

J. VAUGHAN GARY,
OTTO E. PASSMAN,
CLARENCE CANNON,
JOHN R. PILLION,

Managers on the Part of the House.

CLARE E. HOFFMAN

(Mr. MEADER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MEADER. Mr. Speaker, on last Saturday six Members of the House journeyed to Allegan, Mich., to partici-

date in a community rally commemorating 28 years of service of the Representative from the Fourth Congressional District of Michigan, our beloved colleague, CLARE E. HOFFMAN. The six Members who participated in that celebration were the gentlemen from Michigan, Congressmen KNOX, GRIFFIN, CEDERBERG, JOHANSEN, and MEADER; and the other member of the independent party, the gentleman from Iowa, H.R. GROSS, also attended this celebration; and the gentlewoman from Michigan Mrs. MARTHA W. GRIFFITHS.

Remarks were made by the gentlewoman from Michigan, [Mrs. GRIFFITHS] bringing the good wishes of her Democratic colleagues to our friend, the gentleman from Michigan [Mr. HOFFMAN], and by the gentleman from Iowa, H.R. GROSS, but the principal remarks were made by our colleague from the neighboring congressional district, the Third District of Michigan, Hon. AUGUST E. JOHANSEN, whose remarks I will include under permission granted. We visited with CLARE at his son's home on the screened porch. While he was somewhat feeble and thin, his spirit was certainly the same as it always was and his wit was even sharper than I recall it in the House. We visited a couple of hours with him and there was just one wise-crack after the other. His main complaint seems to be that he is kept in Allegan and is not permitted to come back and discharge his responsibilities here among his friends.

Mr. Speaker, the following remarks were made by the gentleman from Michigan, Congressman AUGUST E. JOHANSEN, at the Republican rally honoring the gentleman from Michigan, Congressman CLARE E. HOFFMAN, at Allegan, Mich., on Saturday, July 21, 1962:

Madam Chairman, my colleagues, other distinguished guests, fellow Republicans, fellow Americans, the invitation requested that I appear on the program with a few kind words for Mr. HOFFMAN.

I am honored to accept.

But let us be sure, at the outset, that we all understand each other.

Neither CLARE HOFFMAN nor the citizens of the Fourth Congressional District have ever needed the endorsement of an "outsider"—even from across the line in the Third Congressional District—for CLARE HOFFMAN.

We who are here from the U.S. House of Representatives, you who are here from throughout the State, and you who are here from Congressman HOFFMAN's own district, regardless of political affiliation, are here to discharge a debt we all owe.

It is a debt of gratitude and appreciation for the public services—especially during 28 years as a Member of Congress—of the Honorable CLARE E. HOFFMAN.

And we who are from outside the Fourth District—particularly we who are privileged to be colleagues of CLARE HOFFMAN in Congress—wish to acknowledge a debt of gratitude and appreciation to the voters of this congressional district who, for 14 consecutive terms, have given the Nation, the Congress, and his colleagues the inspiration and benefit of the wisdom and wit, the courage and parliamentary skill, the fiscal prudence, the loyalty to the Constitution, the astringent therapy, the stubborn independence, the dedication to principle, yes, and the sometimes seeming cantankerousness of this admirable American patriot and statesman.

It has been good for America. It has been good for the Congress. And, speaking for my colleagues on both sides of the aisle, it has been good for our souls.

I want to tell you that the House, late yesterday afternoon, devoted a full hour of its session to expressions of appreciation and tribute to your Representative in Congress. Thereby his colleagues have sought to anticipate and share in today's tribute here in his own hometown.

Before I go further, let me say that I wish also to speak a few kind words for some other people.

Heading the list, of course, is that grand and gracious lady—companion of more than threescore years—Mrs. Clare Hoffman. Let no one underrate, or fail to recognize and honor, the contribution, and sacrifice, which she has made incident to Congressman HOFFMAN's 28 years of service in the Congress. We salute her.

We of the congressional delegation privileged to be here today have a special word of appreciation and thanks for the hospitality and courtesies of their son, Leo. And our thanks, as well, to the welcoming committee which received us so graciously.

I have one further acknowledgement which seems to me particularly worthy of emphasis. Perhaps there is an element of personal bias, based on my own service of 4 years as a member of the staff of my distinguished predecessor, the late Congressman Paul W. Shafer.

I hope the constituents of Congressman HOFFMAN recognize—and, I am sure they do—the devoted service and immense contribution of the members of Congressman HOFFMAN's staff. And I single out, for a special word of appreciation, the longtime, faithful and capable member of his office and committee staff, Miss Helen Boyer.

Finally, I should like to convey a special greeting and "thank you" to a member of the House majority who appears here today as a member of the Michigan delegation's minority. We are honored by the presence and participation in this program of Congresswoman MARTHA GRIFFITHS, of Michigan. It is characteristic alike of her own graciousness and of the respect and esteem which Congressman HOFFMAN enjoys on the Democratic side of the aisle that Mrs. GRIFFITHS is with us today.

Returning to our principal honoree, I have only a few remaining comments.

And I shall speak bluntly.

There have been these tributes, editorial and otherwise, which have seemed to suggest that CLARE HOFFMAN is an interesting, and even admirable, relic—but a relic nonetheless.

I venture to suggest that he is, instead, a prophet—a prophet ahead of his times—and, albeit, one prophet with honor in his own country.

It has been said that the punishment of those who will not learn and benefit from the mistakes of the past is that they are doomed to repeat the same tragic mistakes.

It has been the constant effort and purpose of CLARE HOFFMAN to persuade his fellow Americans to learn from the mistakes of the past and thereby avoid their needless repetition.

It is a tragic fallacy to suggest that because we have jet airplanes the ancient law of gravity no longer prevails.

CLARE HOFFMAN accepted and welcomed the jets.

His reactionary views consisted merely of the heresy of believing that the law of gravity still operates.

May we all learn to be equally wise.

The last time he spoke on the floor of the House was, appropriately, the final day of the 1st session of the 87th Congress—last September 26.

With typical frankness he raised the question—prompted by what he regarded (with good cause, I would add) as the then current legislative follies—"whether the Congress is mentally ill or whether we are only mentally and physically exhausted."

In this speech he questioned the fiscal policy of mounting deficits—citing the annual \$9 billion interest payment on the national debt, for which he said, "we get nothing at all except a postponement of the payment date"—on the principal.

He cited the completely unauthorized commitment of this country to \$20 billion of foreign aid to South American countries.

And then he posed this question:

"Inasmuch as to be successful in war a nation must be economically, financially sound, and highly productive, as well as being able to produce courageous, skilled, fighting men, is it not a sign of a mental disease or defect when the Congress, knowing however distant it may be, there is a limit to our natural resources, our manpower and our productive ability continues to spend public funds on enterprises which, however desirable and helpful, do not contribute to our war potential, our ability to make our future secure?"

Let those who seek to carry on be wise enough, courageous enough, to face, and answer that searching question.

As for CLARE HOFFMAN, he could wish for no finer valedictory.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman.

Mr. BAILEY. I was absent from the House on Friday last when the House was paying our respects to the gentleman from Michigan, Congressman HOFFMAN. Would it be possible for me at this time to pay my respects to our colleague?

Mr. MEADER. I will answer the gentleman by saying that permission was obtained by the gentleman from Michigan, Congressman BENNETT, for all Members to have 5 legislative days in which to extend their remarks.

Mr. BAILEY. That answers my question. I thank the gentleman.

Mr. MEADER. Mr. Speaker, we took a dozen copies of Friday's CONGRESSIONAL RECORD to CLARE and gave them to him and he was very much pleased to see it, I am sure.

CONFLICT OF INTEREST AND THE FEDERAL AVIATION AGENCY

(Mr. FRIEDEL asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. FRIEDEL. Mr. Speaker, I have time and again taken the floor to oppose the unnecessary construction of Dulles International Airport at Chantilly, Va., as a wasteful expenditure of the taxpayers' money. I have cited statistics to bear this out and have shown how the yet unfinished Dulles International Airport cannot adequately serve the Washington-Baltimore area, even though the cost has now risen from the original \$14 million requested to \$102 million which we have appropriated so far.

Everyone from Washington who has used the modern and excellent facilities

July 23, 1962 No 127

Sen. Morse inserted an editorial discussing the possible effects of the adoption of a capital budget on the economy. pp. 13693-4

15. GOVERNMENT-BUSINESS COMPETITION. Sen. Miller inserted an article discussing the extent of Government competition with private industry in several fields. pp. 13665-6

HOUSE

16. APPROPRIATIONS. By a vote of 345 to 41, passed with amendments H. R. 12648, the Department of Agriculture and related agencies appropriation bill, 1963 (pp. 13763-74). Rejected, by a vote of 118 to 172, an amendment by Rep. Dole to provide that no funds in the appropriation act could be used for propaganda actions intended to support or defeat legislation (pp. 13763-7).
- Agreed to the conference report on H. R. 10526, making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies for 1963. pp. 13760-2
- Received the conference report on H. R. 11289, the Department of Defense appropriation bill, 1962 (H. Rept. 2036). pp. 13822-3, 13838
- Conferees were appointed on H. R. 10904, the Departments of Labor and Health, Education, and Welfare appropriation bill, 1963. Senate conferees have already been appointed. p. 13759
- Agreed to make it in order on Thurs. to consider a House joint resolution to provide continuing appropriations for August. p. 13759
- Rep. Fountain criticized the increased appropriations for NIH and criticized NIH administration of its research grant programs. pp. 13816-9
17. FARM PROGRAM. Rep. Johnson, Wis., criticized the farm recommendations of the Committee for Economic Development, saying, "I find its attack on the farm problem not only disappointing, but downright frightening," and inserted a statement by Secretary Freeman on the CED 5-year plan for agriculture. pp. 13819-22
18. FOOD FOR PEACE. Several Representatives commended George McGovern who was former Director of Food for Peace. Rep. Berry criticized McGovern. pp. 13823-5
19. CONTRACTING. Passed with amendments H. R. 11677, to prohibit discrimination on account of sex in the payment of wages by certain employers engaged in commerce or in the production of goods for commerce and to provide for the restitution of wages lost by employees by reason of any such discrimination. pp. 13774-809
20. COMMITTEES. Received the 6-month reports from the various committees on the name, profession, and salary of committee employees. pp. 13831-8
21. PERSONNEL. The House Administration Committee reported without amendment H. R. 12661, to amend the Hatch Political Activities Act to eliminate the requirement that the Civil Service Commission impose no penalty less than 90 days' suspension for any violation of certain restrictions on participation in election activities. (H. Rept. 2033). p. 13838
22. CONGRESSIONAL RECORD. The House Administration Committee voted to report (but did not actually report) H. Con. Res. 497, authorizing the Joint Committee on Printing to conduct a study of the Congressional Record with a view to improving its format, index, typography, etc. p. D635

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ITEMS IN APPENDIX

23. LUMBER INDUSTRY. Extension of remarks of Sen. Morse inserting an article which "deals with the serious economic problems faced by the American Lumber industry." pp. A5715-6
24. APPROPRIATIONS. Speech in the House by Rep. Cooley during debate on the agriculture appropriation bill urging enactment of his proposed bill to increase the period in which hearings and reports will be available before consideration of appropriation bills and inserting an analysis of the effects of reductions of funds for operations under Public Law 480. pp. A5720-2
25. FOREIGN TRADE. Extension of remarks of Sen. Wiley inserting an article, "Government Has Far-Reaching Role To Play In Promoting \$35 Billion Annual Trade." pp. A5731-2
Extension of remarks of Rep. Derwinski urging passage of the proposed trade bill. pp. A5742-3
26. LAND-GRANT COLLEGES. Extension of remarks of Rep. Wright commending the celebration of the 100th anniversary of the land-grant colleges. p. A5737
27. ELECTRIFICATION. Extension of remarks of Rep. Lipscomb inserting an article and stating that it "points out some of the serious drawbacks to the proposal pending in Congress to grant preferential rights to Federal power to the region in which such power is developed." p. A5738
28. RECLAMATION. Extension of remarks of Sen. Carroll inserting a speech on behalf of "sound, sensible reclamation projects." pp. A5741-2
29. CONSUMERS. Extension of remarks of Rep. Rodino commending the President's appointment of the Consumers Advisory Council and inserting an article on this subject. pp. A5745-6
30. GRAZING LANDS. Extension of remarks of Sen. Anderson commending Sen. Morse and Rep. Ullman for their efforts in promoting "long overdue range programs" and inserting an address by Asst. Secretary of the Interior Carver on this subject pp. A5748-52

BILLS INTRODUCED

31. SCHOOL LUNCH. S. J. Res. 211, by Sen. Humphrey, providing for the establishment of an annual National School Lunch Week; to Judiciary Committee.
32. RECLAMATION. H. R. 12684, by Rep. Aspinall, to provide for the construction, operation, and maintenance of the Bostwick Park Federal reclamation project, Colorado; to Interior and Insular Affairs Committee.
33. FOREST RESEARCH. H. R. 12688, by Rep. McIntire, to authorize the Secretary of Agriculture to encourage and assist the several States in carrying on a program of forestry research; to Agriculture Committee

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 174]

Alford	Green, Oreg.	Powell
Anfuso	Gubser	Purcell
Baring	Harrison, Va.	Rains
Bass, N.H.	Hébert	Rogers, Colo.
Blatnik	Hoffman, Mich.	Rogers, Tex.
Blicht	Kilburn	St. Germain
Boggs	King, Utah	Saund
Bolton	Kowalski	Scherer
Buckley	Loser	Smith, Miss.
Celler	McSween	Spence
Coad	McVey	Taber
Cramer	Madden	Teague, Calif.
Curtis, Mass.	Merrow	Thompson, La.
Davis, Tenn.	Moulder	Willis
Diggs	Norblad	Winstead
Flynt	Peterson	Yates
Frazier	Pilcher	

The SPEAKER. Three hundred and eighty-five Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CORRECTION OF RECORD

Mr. MICHEL. Mr. Speaker, during yesterday's general debate on the agriculture appropriation bill, several errors appear in the reporting of my remarks, and I would ask unanimous consent, Mr. Speaker, that the permanent RECORD be corrected as follows:

On page 13611, third column, 14 lines from the bottom of the page I am quoted as having said, "for the past 11 years." This should be "for the past several years."

On page 13615, first column, six lines from the bottom of the page, before the period, add "for generation and transmission."

On page 13615, middle column, 22 lines from the bottom of the page, strike the words "costs come down."

On page 13615, third column, third line from the top, I am quoted as saying, "This is the issue." It should read, "This is not the issue."

On page 13615, third column, 15 lines from the top, the letters "NEC" should be corrected to "NRECA."

On page 13617, first column, first line, the figure "\$200 million" should read "\$700 million." And on the fourth line, same column, the word "figure" should be replaced by the following: "of \$55 million from the telephone account."

On page 13615, first column, 27 lines from the top, the words "Colorado-Butte" should be changed to "Colorado-Ute." In the same column, 29th line, the name "Colorado Power Co." should be changed to "Western Colorado Power Co." In the same column, 34th and 35th lines, the sentence beginning, "The Public Service Co. of Colorado" should be changed to "The Western Colorado Power Co."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CORRECTION OF ROLL CALL

Mr. CLANCY. Mr. Speaker, on roll-call No. 170 I am recorded as being absent. I was present and answered to my name.

I ask unanimous consent that the permanent RECORD and Journal be corrected accordingly.

The SPEAKER. Without objection the correction will be made.

There was no objection.

DEPARTMENT OF AGRICULTURE
AND RELATED AGENCIES APPROPRIATION BILL, 1963

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12648), with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read through section 606 ending in line 23, page 31 of the bill. Are there further amendments?

Mr. ANDERSEN of Minnesota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ANDERSEN of Minnesota. I think the gentleman from Kansas [Mr. DOLE] was recognized yesterday before we adjourned.

The CHAIRMAN. The Chair was about to recognize the gentleman.

For what purpose does the gentleman from Kansas [Mr. DOLE] rise?

Mr. DOLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLE: On page 31, after line 23, insert the following:

"SEC. 607. No part of any appropriation contained in this Act or any funds available for expenditures by corporation or agency included in this Act, shall be used for propaganda purposes designed to support or defeat legislation pending before the Congress in violation of present law."

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I have studied this amendment and note that it simply prohibits the use of any funds provided in this bill for propaganda purposes designed to support or defeat legislation pending in the Congress. I see no opposition. So far as I am personally concerned, it is

a good amendment. Would the gentleman from Mississippi [Mr. WHITTEN] accept the amendment?

Mr. WHITTEN. I would not feel like accepting it because I think the matter is covered by law at the present time. I call attention to section 1913, title 18 of the United States Code. I will point that out at the conclusion of the gentleman's speech. I think the matter in the amendment is already covered by law.

Mr. DOLE. I might agree to a certain extent so far as section 1913, title 18 of the United States Code is concerned, but I think it needs some clarification. My amendment has particular reference to the type of lobbying that has been carried on in the past 6 or 8 months or 2 years by many, many Federal employees connected with the U.S. Department of Agriculture and other departments of Government.

The purpose of the amendment is to remind the executive branch that employees of the Federal Government cannot be propagandists to be used to support or oppose pending legislation.

I agree that once legislation is enacted, Federal employees, regardless of the party they belong to, have the right, duty, and obligation to properly administer the law.

It is wrong, however, to ask any Federal employee who has civil service status to lobby for pending legislation. That has been going on all over the country. It has happened in my congressional district. It is wrong to permit such activity by any employee at public expense.

In March 1962, in Oberlin, Kans., a member of Freeman's Advisory Committee on Wheat made a speech in support of H.R. 10010. He made references to Congress, which I did not think were necessary. He was clearly lobbying for pending legislation; namely, the administration's farm bill.

There have been many examples of abuses in this respect and if there is such a law then perhaps a more active approach by the Department of Justice is needed. We have had the President himself in April tell State ASCS directors not to let their Congressman get lonesome. It has been reported Secretary Freeman suggested Federal-State Extension Service employees start participating in politics to help shape future farm legislation.

It was some time in January of this year that John Macy, Chairman of the Civil Service Commission, issued what was known as the Macy memorandum. In that memorandum he indicated it was proper for Department of Agriculture and other Federal employees to go out and explain pending legislation. In other words, to lobby for pending legislation. After certain Members of the Senate challenged the ruling, in April 1962, Macy revised his memorandum to meet the objections raised. The revision, if followed, would have prevented the explaining of programs pending in Congress.

I received a letter dated April 27, 1962, from Mr. Freeman's Administrative Assistant Secretary, Joseph Robertson, in-

dicating USDA department heads were notified of the Macy memorandum revision which would prevent further lobbying, or promotion of pending legislation.

There is still considerable evidence that in many areas of the country Federal employees are still promoting pending legislation. Some county ASCS offices do it through newsletters to farmers, all at taxpayers' expense.

About a month ago we witnessed some fine examples of lobbying off the House floor Chamber by members of the Department of Agriculture who were trying to get certain farm legislation passed.

Again let me state my amendment goes further than section 1913 of title 18 of the United States Code. It covers not only that section but also provides that department or other Federal employees who are traveling around the country cannot do so if the purpose of their speaking engagement is to lobby, promote, or oppose pending legislation.

We have seen along the New Frontier time after time, example after example of Federal employees going out to promote pending legislation. When the medicare issue was raised they did it all over the country, mostly speaking to empty houses, but they were there, speaking about medical care for the aged at the President's request and the taxpayer's expense. I think my amendment will stop that and a lot of other unnecessary expenditure of public funds.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Illinois.

Mr. MICHEL. I do not know whether this would fall within the purview of the gentleman's amendment, but during the course of the hearings I inquired of the folks who testified before our committee what it cost to bring all the State committeemen down here for that big confab they had here in Washington several years ago in which they were all received on the White House lawn. I was told that it amounted to \$58,893. I think that is the kind of thing that ought to be stopped, and I think the gentleman's amendment should prevail.

Mr. DOLE. I thank the gentleman and again state the amendment should be adopted for the benefit of the public, of Congress, and for the benefit and protection of Federal employees themselves. This is true regardless of party or the administration in power. If such activity is wrong then the amendment should be adopted.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a few evenings ago I came across a very interesting article published in the current Saturday Evening Post by Harold H. Martin entitled "Farmer Khrushchev: He Has His Troubles. While Mr. K. Rants and Raves, Ideology and Climate Snarl Russia's Farm Program." As a non-farmer from Brooklyn, Mr. Chairman, I should like to ask the distinguished gentleman from Mississippi whether these statements made by Mr. Martin are correct:

The American farmer long ago learned that the same cattle cannot economically produce both milk and meat, and that good egg layers are scrawny birds for the table. Mr. Khrushchev keeps 15 million more cows than we do, but his dual purpose herds produce only a third of the amount of meat and 10 million pounds less milk. His 14 million more chickens yield only about a quarter of the meat and less than half of the eggs that American broiler and layer industries provide.

Now, I should like to ask my distinguished friend, the gentleman from Mississippi [Mr. WHITTEN] who is intimately experienced with the farm program and considered an outstanding expert on this subject, if Mr. Martin's are correct statements.

Mr. WHITTEN. I thank the gentleman for his comment with reference to me. I would say that several years ago I had the privilege of visiting with our agricultural attaché who had been in Russia for 4 years and who had traveled throughout much of Russia. We have in this country become specialists. We produce highly specialized beef cattle, and our dairy herds are strictly for dairying purposes. And, we have done that in practically every direction you can look. In Russia it takes 50 percent of the people working on the farms to feed the people. Not only that, but the end result is an inferior quality of meat. In our country it takes about 20 percent. They provide a superior quality with less than 10 percent of our people to produce the food.

May I say another interesting thing, since the gentleman raised the question. We were told that for many years agriculture in Russia was dominated by a line of scientists who thought that heredity had very little to do with improving dairy herds. And, that retarded Russia greatly. Only in recent years have they begun to select the finest specimens for breeding purposes.

Mr. ROONEY. Then, I deduce from what the distinguished gentleman has said that Mr. Martin's statements are substantially correct.

Mr. WHITTEN. Certainly.

Mr. ROONEY. I thank the distinguished gentleman.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Iowa.

Mr. KYL. The gentleman has approached a most interesting and significant point. In Russia today we are told that about 5 percent of the agricultural land is actually farmed under a special program which permits a certain amount of freedom to the farmer. These are noncommunal farms. This 5 percent free land apparently produces 50 percent of the meat, eggs, milk, and vegetables produced in the Soviet Union.

Mr. ROONEY. I might say to the distinguished gentleman that that subject is also discussed in Mr. Martin's article in the Saturday Evening Post, and it appears that if it were not for those Russian people in the free enterprise part of Soviet agriculture, they could not produce enough to adequately feed their population.

Mr. MARSHALL. Mr. Chairman, I think the gentleman from New York [Mr. ROONEY] can take a great deal of pride in that article, because many of the things mentioned in the article insofar as American agriculture successes are concerned came about because they had the support of the gentleman from New York [Mr. ROONEY].

Mr. WHITTEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to join with my friend, the gentleman from Minnesota [Mr. MARSHALL], and say that this entire Nation is deeply indebted not only to our good friend, the gentleman from New York [Mr. ROONEY], who just addressed the House, but to other Members from the cities of this country. With only 10 percent of the people on the American farms, more and more of the welfare of American agriculture is in the hands of these patriotic Members of Congress who come from our cities, and I want to say so for the RECORD.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New York.

Mr. ROONEY. I should like to say that I have never had any trouble with regard to my votes on farm legislation because I fully realize that if we do not have successful, thriving farm communities, we do not have a market for the refrigerators, the radio and television sets, the automobiles and other items manufactured in our cities.

Mr. WHITTEN. Mr. Chairman, in connection with the amendment which has been read, I do not think any of us approve the use of Federal employees in any way to promote or defeat pending Federal legislation. I, personally, do not know whether this has existed or not. I do know that in all the years I have been in the Congress, whichever party has been in charge of the Department of Agriculture, the other party has felt that various employees were taking an active part. That has been true each and every year under each and every administration.

Mr. Chairman, I do not approve of that course of conduct, if it has existed. But with respect to the immediate amendment now pending I would call attention to the fact that if this is going on, it is in violation of section 1913 of title 18 of the United States Code, which I shall read, as follows:

1913. Lobbying with appropriated moneys.

No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropri-

tions which they deem necessary for the efficient conduct of the public business.

Whoever, being an officer or employee of the United States or of any department or agency thereof, violates or attempts to violate this section, shall be fined not more than \$500 or imprisoned not more than one year, or both; and after notice and hearing by the superior officer vested with the power of removing him, shall be removed from office or employment.

Mr. Chairman, the latter part of that section provides for the penalty. May I say that the gentleman's amendment provides no penalty and the matter, in my judgment at least, is already covered by substantive law. If these things have been going on in this administration, or in the preceding administration, or the one that preceded that, and these reports and rumors have always come to our attention, the section which I have just cited would cover it.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I shall be glad to yield to the gentleman from Virginia.

Mr. POFF. Mr. Chairman, in response to an inquiry on the part of the gentleman from California [Mr. LIPSCOMB], the Attorney General recently has rendered an informal opinion which casts some doubt upon the content, the purpose and the effect of section 1913, title 18 of the United States Code. In light of that opinion does the gentleman not agree that it would be prudent and wise for this body to reaffirm its conviction on this point?

Mr. WHITTEN. May I say if we did it on all bills—I think it would probably be better to reaffirm it that way than to pick out one particular department. However, in my own opinion the language of the statute is sufficiently broad to prohibit the use of employees to promote or help defeat legislation. I think it is quite clear. For that reason I do not think the amendment is necessary.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this matter has been discussed on the floor on several occasions. I would like to make reference to two instances when I referred to it and called it to the attention of the House membership. One instance refers to a meeting in Springfield, Ill., the State capital.

At this meeting of the ASC in Springfield, Ill., all the committeemen were advised, with the Under Secretary of Agriculture present, that while they could not be denied voting as they saw fit, they were expected to support the President's program or resign. In other words, they were expected to be politically active in behalf of the Kennedy administration.

I likewise called attention to a quotation that I placed in the RECORD from the New York Times which reads as follows:

The cooperative Federal-State Extension Service is being asked to enter the political arena to help shape future farm policies and program.

As the article continues:

[This] would impose on the service a role it has studiously avoided in its long history.

Likewise, when President Kennedy invited ASC officials to the White House, 150 of them, this is what the wire services reported.

President Kennedy today delicately suggested to members of the State agriculture stabilization and conservation committees that although they are prohibited by law from lobbying for specific farm legislation, they should not permit Members of Congress to be lonesome.

Very frankly, I said then that I never thought that the President of the United States would in effect condone such action. I never thought that a President of the United States would tell employees that they should not allow a legal prohibition against lobbying for legislation to deter them in such effort.

I think this is a good amendment that has been offered by the gentleman from Kansas [Mr. DOLE]. If the present restriction on lobbying by Government employees has been abused before during other administrations, let us now take care of the problems through the adoption of this amendment.

Mr. DOLE. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Kansas.

Mr. DOLE. Mr. Chairman, I asked the gentleman from Illinois to yield so that I might ask the chairman of the subcommittee, the gentleman from Mississippi, a question. He questions whether my amendment is needed because of existing law. My interpretation of the section the gentleman read indicates it refers only to influencing Members of Congress. I have here a complete report which appeared in the Oberlin, Kans., paper in my district. Lud Strnad, who is a member of the Secretary of Agriculture's Advisory Commission on Wheat went into my district and made a political speech on H.R. 10010 in his official capacity. One statement he made was:

I would like farmers in this community to ask Congress to vote this bill out so you can have a choice.

To me he was clearly promoting pending legislation.

Perhaps this statute has been construed too strictly but it seems to me it applies only to influencing Members of Congress. It should apply to members of advisory committees and all Federal employees and prevent them from going around the country trying to sell a program pending before Congress.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. WHITTEN. Mr. Chairman, the gentleman's amendment merely says that they shall not do what the gentleman says has been done. That is all it amounts to. The statute says that it is against the law to do it and if they do it they are subject to penalties. I say that the statute which I quoted is much stronger than the gentleman's amendment, so that what the gentleman is suggesting is unnecessary. That is the way I see it.

Mr. DOLE. We do agree with the basic premise that it should not be done.

Mr. WHITTEN. I think the statute speaks for itself. I quoted it a while ago. An employee may not use appropriated funds either to promote or defeat legislation, and if he does, he is subject to penalties provided in the section. That goes much further than the gentleman's amendment, which is why I say that the amendment is not necessary and does not reach the problem that he points out.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Iowa.

Mr. JENSEN. I simply wish to say that everybody knows, every Member of Congress knows that neither the gentleman from Mississippi nor any member of the Subcommittee on Agricultural Appropriations ever used political pressure on anyone to be for or against any item or for or against a bill. A reaffirmation of the law which the gentleman from Mississippi has just read I think is very much in order.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. ARENDS] has expired.

Mr. JENSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I know, as everyone else knows, that every administration does put some pressure on Members of Congress to support its programs. But never in all the 24 years I have been in Congress have I seen as much pressure brought on the Members of Congress to support the administration's position on agriculture as I have seen during this session and the last session of Congress. There have been so many pressures brought on Members of Congress relative to the agricultural program that it is becoming a national scandal. I hope the gentleman from Mississippi will not oppose this amendment. As I understood him he is only saying that the law is already on the books to do the thing that this amendment seeks to do. The facts are that there are too many people in the Department of Agriculture that are paying no attention to the law. I hope the amendment will be agreed to. I do not condone such anti-American practice regardless of party.

Mr. MOSS. Mr. Chairman, I move to strike out the last word.

(Mr. MOSS asked and was given permission to revise and extend his remarks.)

Mr. MOSS. Mr. Chairman, I think I can state quite emphatically that the law on the books now is being at least as diligently enforced under this administration as it was under the previous one. It is nice to play a little politics, but sometimes the license used here in discussing instances I think goes beyond the limits we all know to be true.

I happened to serve on the Post Office Committee back during the previous administration. I am surprised that some of the distinguished gentlemen in the minority have such short memories, because many of my colleagues on that committee in the minority protested bitterly at the pressure being placed on them. As a member of that committee, not a part of the party then in the majority, I also experienced heavy pressure,

pressure clearly violative of the present requirements of law, when the Postmaster General resorted to the use of Government wires to his postmasters telling them to phone us, yes, even to come back here and tell us to vote for his bills. He did not do that once, he did it a number of times. He came into this building and established a headquarters where he called in the Members, cajoling or threatening or offering any possible incentive to get their support.

I do not approve of this type of action by this administration or the previous one, but I deeply resent the implication by some who have spoken today and who know better that this is new and novel. That it is not; and it has gone on under others of very recent vintage.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman.

Mr. JENSEN. I think the gentleman has just proved the point we are attempting to bring out in this amendment.

I agree perfectly with the gentleman that there have been pressures brought on Members of Congress by every administration. So let us remind the people in this Government now, in this administration, and in future administrations that there is a law on the books which deines them the privilege of using appropriated funds for such purposes and for propaganda purposes.

Mr. MOSS. I agree with the gentleman, but the only thing that puzzles me, is why this great enthusiasm to alert and remind people about this law develops on the other side of the aisle only when a Democrat occupies the White House.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman.

Mr. ALBERT. May I say this, a lot of what has been said is true, but when the charge is categorically made that during the consideration of the farm bill this year, there was more so-called pressure than ever before, I think we should call for specifics. I do not know of a single instance this year when a Cabinet officer has come to the Capitol Building and lobbied during the consideration of the farm bill or on any other bill.

Mr. MOSS. The gentleman, however, recalls the previous administration when the Postmaster General came to the Capitol.

Mr. ALBERT. I do, and I will say that I have seen assistant Cabinet officers on the Hill during both administrations, but I have not objected to their being up here.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOEVEN. Mr. Chairman, I move to strike out the last word.

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman briefly.

Mr. ARENDS. I want to say to the gentleman from California, who has just spoken, and I say this in the utmost sincerity, this is the first time in my many years in the Congress—and I have

been here a few years longer than the gentleman from California—that I have ever heard of politics being injected into the Extension Service of this country. The gentleman will have to prove that point differently if he thinks that it is not true. We will forget about politics in the Post Office Department, because none of us is so naive as to believe that it has not in the past or presently is not going on, regardless of what administration is in power. But this is the first time, I repeat, that I have ever heard politics being injected into the Extension Service, and the gentleman, I feel sure, cannot prove anything to the contrary.

Mr. MOSS. I have not injected politics with reference to any service.

Mr. HALLECK. Mr. Chairman, will the gentleman yield for a brief statement?

Mr. HOEVEN. I yield to the minority leader.

Mr. HALLECK. The majority leader referred to the fact that during this administration no Cabinet members have been in the Capitol. I recall when we had a certain bill which was being hotly contested, when the Secretary of Commerce—and I do not know whether he realized the situation or not and, of course, I have nothing but the highest regard for him—I saw him right here in the Speaker's lobby—not only here in the Capitol, but in the Speaker's lobby, within 15 feet of the Speaker's desk, buttonholing Members as to how they should vote on the legislation.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the majority leader.

Mr. ALBERT. I can say specifically that neither the Secretary of Commerce nor any other Cabinet officer has buttonholed me or lobbied me during the consideration of any bill in the House.

Mr. HOEVEN. This should not be a matter of partisan politics. If the basic law is sufficient, as is contended by the gentleman from Mississippi, then certainly no harm will be done by adopting the amendment offered by the gentleman from Kansas. Let us reiterate, reemphasize, and reexpress the will of Congress in this regard.

It seems to me that all of my colleagues should welcome this kind of amendment for their own protection, and especially my good friends on my right, who were under terrific pressure during consideration of the late, lamented farm bill.

I do not condone what happened in prior administrations; this type of propaganda and pressure is wrong in any administration—past, present, and future. I firmly believe that the representatives of a free people have the duty and the right to legislate and to exercise their own good judgment on every piece of legislation without high-pressure tactics by Government departments and agencies.

During consideration of the omnibus farm bill a few weeks ago, the Secretary of Agriculture and a representative of the White House held court in the Speaker's room adjacent to the House Chamber, and certain Members were called in to

be high pressured to vote for the farm bill. I have never seen anything like this during my long service in the Congress. It should be stopped.

There is no reason in the world why the representatives of the Federal Government should belabor themselves on any piece of legislation. If we want their advice we can ask for it. Such pressure is not in the best interests of good legislation.

In my own State of Iowa I was amazed not too long ago when the new Iowa administrator of the Federal Crop Insurance Agency called his subordinates together and told them in effect: "I expect you to go out and talk for the administration's farm program. And don't let me hear you say anything against it."

This story appeared on the front page of the Des Moines Register. Many other examples could be cited as to pressure tactics used by the Department of Agriculture. We should welcome the attempt to reemphasize the clear intent of the Congress by adopting the amendment offered by the gentleman from Kansas. We should do this for our own protection.

Mr. NELSEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am not interested in trying to prove who has violated the intent of the law. I do not think anything is gained by such an attempt. I think perhaps it could be proven that there has been pressure from both sides of the political aisle depending upon which administration may have been in power. But I do agree with the gentleman from Illinois [Mr. ARENDS] that when the extension division of our Government becomes involved and are encouraged to participate, in the political arena the Congress then should issue some kind of directive that would prevent that from happening regardless of the administration.

I would like to refer to the statement made by my friend the gentleman from California [Mr. MOSS] about short memories, and I would like to refer to the fact that I served as an Administrator of the Rural Electrification program. Just to show you how meticulously this Hatch Act is administered sometimes, in this instance a Democrat-controlled House of Representatives, which Mr. MOSS should recall, and one of the great ridiculous charges leveled at me was that I was in Duluth, Minn., and drank some coffee with some Republicans, I called attention to the fact that if drinking coffee was a violation of the Hatch Act, there would be thousands and thousands of Minnesota Scandinavians in jail. The charge was dropped attended by a good deal of laughter from the gallery.

Getting back to the amendment before us, I think if we adopt this amendment it will be a notice served on certain administrative officials in our Government that we are against such tactics and are all concerned regardless of party.

I hope the amendment is adopted.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, may I remind the gentleman from California [Mr. Moss] that we served on a Post Office and Civil Service Committee together under the Eisenhower administration. He well knows that I, too, was subject to some pressures at that time, but somehow or other I was able to resist them.

Let me say that under the Eisenhower administration I offered several amendments to various bills providing practically what the gentleman's amendment suggests be done here. Those amendments were accepted in some instances by the Democrat chairmen of committees, or they were voted on and adopted, I am pleased to say, with the help of Democrats as well as Republicans.

As far as I am concerned, the past record is clear on this matter. I rebelled against these pressures and activities under the Eisenhower administration and tried to do something about it. I trust that the same restrictions will be adopted now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. DOLE].

The question was taken; and on a division (demanded by Mr. DOLE) there were—ayes 83, noes 96.

Mr. DOLE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. DOLE and Mr. WHITTEN.

The Committee again divided, and the tellers reported that there were—ayes 118, noes 172.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Department of Agriculture and Related Agencies Appropriation Act, 1963".

Mr. OLSEN. Mr. Chairman, I would like at this time to extend my warmest admiration and praise for the House Subcommittee on Appropriations to Agriculture for its diligent work on behalf of the farmers of the Nation. I am aware of the long hours of tedious work put in by the subcommittee members, and commend them for their patience and thoroughness in hearing out all sides of the issues that came before them.

However, I would be remiss in my duties as Congressman from the First District of Montana if I did not express my disappointment in the omission of the proposed Soil Research Laboratory at Sidney, Mont., for the Northern Great Plains region. When this research laboratory was first announced by the Department of Agriculture in September of 1961, our distinguished Senate Majority Leader MIKE MANSFIELD spoke to his colleagues, expressing his delight at this opportunity and recognition for the State of Montana.

I am hopeful that when this legislation is considered in the Senate our colleagues there will give favorable reconsideration to the inclusion of this well-merited and promising undertaking for the people of the Northern Great Plains region.

Mr. ROBISON. Mr. Chairman, I intend to vote against H.R. 12648—the Department of Agriculture and related agencies appropriation bill for 1963—because, while it contains funds for a number of programs that I fully support, it also contains money for other programs and the advancement of policies that I cannot support and the subjects, unfortunately, are not divisible.

I also regret that the Michel amendment did not carry on yesterday; however, I am hopeful that the debate thereon may serve as an indication on the part of many of us of growing concern over the manner in which the ambitions of some people in behalf of the rural electrification program may have forced it beyond the point that Congress intended it should go.

I have taken this time, therefore, to call the committee's specific attention to a situation that has developed—at least in my area—with respect to the telephone-loan program under REA.

In reading the committee report, and in listening to the debate, I note that telephone-loan funds for REA have been reduced, in H.R. 12648, from the original budgetary request of \$135 million down to only \$80 million.

Upon leafing through the hearings, in order to try to find the reason for this rather sharp reduction, I found only an expression of dismay, you might say, or at least certainly of disappointment, on the part of a Mr. Richard Dell—Deputy Administrator for the REA—over the fact that the demand for telephone loans has not developed, for some reason, to the extent that had previously been anticipated.

May I say, based on what has been happening in my area, that I share Mr. Dell's surprise. Quite evidently, if more people only knew it, here is a real fertile field for anyone with any degree of enterprise and initiative, not to mention public spirit.

Why do I say that? Well, in my section of New York State, which is nowadays a lot more suburban in character than it is rural, a small group of developers from outside the area have been going about acquiring the controlling stock interest in those few, remaining, independent telephone companies of the type that used to provide the bulk of telephone service for our rural people. The gentlemen to whom I refer, and I will gladly provide specifics if the committee should want them, have so far acquired three such companies in my general area, and are in the process of acquiring three others at the present time.

Of course, they are using REA funds to aid them in the acquisition process, and are using REA funds to extend and improve the systems that they either now own or are in the process of buying.

Now, all this is fine and no one would object if their ambition was solely that of bringing new and improved telephone service to our rural subscribers. However, on inquiring of the REA into one of these ventures at the request of some of those same subscribers who are not so sure they like the way things are going, I find that this group has so far received

a total of federally subsidized REA loan funds amounting to \$2,543,000 for an investment on their part of only \$260,600, and, if their pending applications go through, will eventually receive a total of \$3,496,000 from the REA with an investment of only \$385,060 on their part.

That is the equivalent of about a 10 percent margin, which is a pretty good deal in anybody's book—especially when it is 2-percent, 35-year money we are talking about—and would surely seem like an open invitation for anyone to build a telephone empire on a shoe-string—or maybe I should say on a shoe-string and a subsidy, since the general taxpayers are underwriting a part of the investment. And, after one got his empire rebuilt, if he did not want to do anything else with it he could always peddle it to somebody else, taking back a mortgage for the sales price at, say, 5 or 6 percent, thus pocketing the difference in interest charges, and "Hurrah for Uncle Sam."

Seriously, Mr. Chairman, I do believe that this is a matter which ought to have the committee's further consideration, to the end, at least, of determining whether or not REA's loan-security requirements ought to be revised so as to discourage the possibility of speculation by absentee promoters, and in favor of encouraging local ownership and initiative within the original intent of Congress when it established this most important program.

Mr. PHILBIN. Mr. Chairman, this bill contains many very important provisions which are necessary for the general prosperity and well-being of the Nation and the American people.

These include support of vital research activities, plant and animal disease and pest control, meat inspection, essential foreign currency purchases, State agricultural experiment stations, the valuable Federal extension service, conservation operations, watershed protection, flood prevention, economic research service, the essential school lunch program, Farmers Home Administration, foreign assistance programs, and other constructive, helpful features.

For these reasons, I propose to support the bill in the House and hope it may be enacted.

Mr. BROOMFIELD. Mr. Chairman, I rise in opposition to H.R. 12648, making appropriations for the Department of Agriculture for the current fiscal year.

I have noted with regret that efforts to correct this bill, to remove its inequities, to eliminate its shortcomings, to trim its waste, have not been successful.

For years, yes for decades, the city dweller has been supporting the farmer to the tune of some \$1,500 per year per farm. He is not only paying for these subsidies in the form of higher taxes, in the form of less money to spend for his own family, but also in the form of higher food prices.

In other words, he has been taxed to raise prices for himself and his children.

If the folly stopped at this point, it would be bad enough. But it does not.

Not only must he pay these higher taxes. Not only must he pay these higher prices, but if he is in the food business, or in the clothing business, he also is, in

many cases, paying higher taxes and higher prices to put himself out of business.

Not too long ago, the House passed the Trade Expansion Act of 1962. In most respects, it was a good bill. It was an effort to restore competition with the rest of the world. It was an effort to give our business and our industry a freer rein in the world marketplace.

The Trade Expansion Act was passed to encourage our businessmen to go out into the world after new markets. Coupled with realistic tax depreciation schedules, and our industrial know-how, I think we have the tools we need to restore prosperity to our sagging economy, to raise our already high living standards even higher, and to lick our chronic, nagging problem of unemployment, which is not only causing misery to many, but also is wasting the productive output of millions of our citizens.

So what do we do with this appropriation bill. We throw out the arguments we have heard in favor of the trade expansion bill. We reject the sound reasoning which prompted the House to approve this attempt to increase trade within the Free World, and instead we substitute a bucket of hogwash.

We not only permit the farmer to collect one Federal subsidy for the land he takes out of production. We permit him to take two subsidies on the same land. He not only is permitted, under the terms of this bill, to divert land under the feed grains program to the tune of some \$55 an acre, but we then turn around to this farmer and tell him, "no, that isn't enough."

"Come over here to the Federal feed trough," we tell him, "and wallow in some more of these dollar bills which have been plucked from the Federal tax tree. Don't worry where this money comes from. The supply is unlimited. Don't worry about things like our balance of payments, our national debt, or the tax load on your city cousins. Just come join our ACP program and live in luxury with no work, no expenses, no effort on your part."

Frankly, I do not think the farmer is going to fall for this latest brand of hogwash, and I am certain that the city dweller has had just about enough.

On the one hand, the Agriculture Department is telling us that it is striving valiantly, toiling heroically, to reduce the output on our farms, to solve our problems of overproduction through reductions in acreage. On the other hand, we have the Agriculture Department dispensing fertilizers, chemicals, irrigation projects, with an eye to the voting machines and the ballot boxes, so that our farmers can produce even more surplus farm goods on the acres the Federal Government has deemed the farmer can farm.

Of course, not all farmers can take advantage of these double subsidies. Only the chosen few will be permitted to participate, the farmers who know more about Washington and the Agriculture Department than they do about farming.

We already have a clear indication of exactly what is involved in this appro-

priation bill in one of the amendments which was offered and rejected here today.

The amendment would simply have limited federally paid, federally employed Agriculture Department employees from becoming built-in rural precinct workers for the Kennedy administration.

What was the answer of the House? What was its statesmanlike decision in this important subject of using a person's tax dollars to elect candidates not of his own choosing? The decision was this: The taxpayer has no right to control the political actions of these employees. In fact, he has no right to stop the practice of using his tax money to keep people in office who have no business being there in the first place.

This is a bit of a switch on the "no taxation without representation" we heard so much about in our history texts in years past. Not only are the city dwellers denied representation in the Agriculture Department, despite the fact that 90 percent or better of the costs of this Department are paid by the urban dweller, but these funds we are asked to appropriate today would be used against the city dweller to bury him with higher food prices, higher taxes and higher subsidies for those farm goods which go into foreign trade.

Then we wonder why business is sick. We wonder why our economy is not marching forward as it should. We wonder why we hear talk of new massive Federal programs, new massive Federal outlays, tax cuts for this reason and that reason to head off financial disaster.

Does not the administration realize that the only way to march forward is to get the load off the backs of our people? Does not this administration realize that only by hauling in the anchor on waste can we hope to sail forward? How can we even hope to move away from the dock unless we cut this umbilical cord we have connected to the farmer and let him start to live in freedom rather than inside the Federal womb.

I agree with my colleagues that the farmer is the backbone of our society, but I resent, and I will resist, this latest attempt to remove the farmer's backbone and make him a charity case subject to Federal annual handouts at the taxpayers' expense.

I have yet to meet a real dirt farmer who believes in the folly we have before us today. But then the Agriculture Department experts, who have never been closer to a farm than the supermarket, would say "he really doesn't know what is good for him, anyway."

Mr. Chairman, this bill is an utter disgrace, and I will vote against it.

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Chairman, for the benefit of the Members of the House, in addition to the remarks I made yesterday on my amendment, I would like to call attention to some of the conservation practices which are now being carried on by the conservation program which I

feel are reason for questioning their continuation. The list includes liming materials, the rock or colloidal phosphates, gypsum, or sulphates. These materials are used to permit the growth of so-called conserving crops. However, in most instances and in more than 14 of the States, these practices exceed 25 percent of the amount allocated to conservation and are repetitive practices on the same land, which increases the fertility of the soil and goes far beyond the basic conservation program. Other conservation practices are removal of stone walls or hedgerows described as necessary to permit contour and field strip cropping and to permit the construction of terracing. Other practices listed under the agricultural and conservation program include fencing trees or shrubs; digging wells for livestock water; installation of storage tanks or troughs in connection with wells for livestock water; springs or seeps for livestock water; installation of water storage tanks or troughs in connection with springs or seeps, dams, pits or ponds for livestock water; installation of tanks or troughs in connection with livestock water; and installation of storage tanks and pipelines for livestock water. Also included are the reservoirs for irrigation. I am sure that all of these practices in technical terms fit the definition, but most of these practices I have listed include production in addition to conservation. These practices I believe should be reviewed and in many instances should be curtailed or even abolished. I know of some instances where the Government agent has been so active in stimulating the agricultural and conservation program that he promoted development on farms even though the owner was hesitant to initiate such a project.

These practices point up the trend away from the intent of the basic legislation, and I am sure departs considerably from what was intended when Congress enacted the original law.

Although this program is carried on in every State of the Union, there is a wide variation between the States in the portion of the State which participates in the program. For example, Hawaii has only 6 percent of its total farmland participating; whereas Vermont has 64 percent of its farmland participating in the program. The other States range all the way in between these extremes. Technically such practices conserve the resources of the land, but in actual practice during a period of rotation, would increase the annual yield to the participant.

The amount of Federal funds flowing into such States and into these farm areas is a substantial addition to the farm resources. For example, in Ohio only 13 percent of the farms in the State participate. However, the estimated total gross assistance for the year 1960 was in excess of \$6.25 million, and 66 percent of this allocation was used for the establishment of covering crops, with 44 percent being spent for liming materials.

In checking back over a previous report, I find that in 1958, 14 percent of

the farms in Ohio participated in the agricultural conservation program, with 42 percent of the funds being spent for liming materials. In Indiana, 20 percent of the farms in 1960 participated in the agricultural conservation program, with the estimated total gross assistance in excess of \$6 million, with 45 percent being spent for liming materials.

Although the total cost to the Federal Government for the agricultural conservation program has remained at about the same level since 1945, the number of participating farms has decreased. Yet, at the same time, the average total assistance per farm has more than doubled. In 1945 there were 2,956,000 farms participating under the agricultural conservation program; in 1960 this decreased to 1,029,000. In 1945 this represented 68 percent of the total cropland. Yet in 1960 this percentage has decreased to 30.

Moreover, Mr. Chairman, last fall the ASCS agent in Manassas, Va., along with his committee blackmailed many of the lime dealers in the area into paying for a dinner to promote lime. The dinner was held in a church in Centerville, Va., for the farmers in Prince William and Fairfax Counties. The lime dealers were asked to "cough up" \$25 to \$50 to finance the affair where the agent gave a speech strictly for the purpose of promoting the use of lime. It is my understanding that many of the lime vendors and the farmers who attended were disgusted with the entire operation.

I briefly mentioned yesterday an ad from the New Castle Record, New Castle, Va., showing the cost examples for some conservation practices followed by a list of agricultural conservation program approved vendors. Under unanimous consent, I include the entire ad at this point in my remarks:

ATTENTION FARMERS OF CRAIG COUNTY: FREE FERTILIZER AND LIME

Yes, get a ton free for every ton you buy through your local A.S.C.S. Office.

ACP initial signup now in progress. Will run through January 15.

Farmers, are you participating in the agricultural conservation program (ACP)? All can participate.

If you are not participating, ask yourself: 1. Does your land need conservation improvement?

2. Is someone else getting your share of assistance?

If your answers to these questions are "Yes," "Jump off your tractor and go to the County ASCS Office."

The following are cost examples for some conservation practices:

Liming 5 acres of farmland at the rate of 2 tons per acre (lime delivered and spread):	
10 tons lime at \$4.75-----	\$47.50
ACP cost share assistance:	
2.35 × 10 tons-----	23.50
Plus small cost share increase---	8.60
Total ACP assistance-----	32.10
Total cost to farmer-----	15.40

Fertilizing and liming 5 acres permanent pasture; lime at the rate of 2 tons per acre and fertilizer at the rate of 800 lbs. per acre of 5-10-10:

Fertilizing, etc.—Continued	
10 tons lime at \$4.75-----	\$47.50
2 tons fertilizer at \$50-----	100.00
Total cost-----	147.50

ACP cost share assistance:	
10 tons lime at \$2.35-----	23.50
2 tons fertilizer at \$22-----	44.00
Plus small cost share increase---	14.00

Total ACP assistance----- 81.50

Total cost to farmer----- 66.00

Seed winter cover on 10 acres cropland—Seeding 1 bushel rye per acre and applying 400 lbs. per acre of 5-10-10:	
10 bu. rye at \$1.35-----	13.50
2 tons fertilizer at \$50-----	100.00
Total cost-----	113.50

ACP cost share assistance:	
10 bu. rye at \$1.35-----	13.50
2 tons fertilizer at \$22-----	44.00
Plus small cost share increase---	13.70

Total ACP assistance----- 71.20

Total cost to farmer----- 42.30

Spray 10 acres of permanent pasture for controlling competitive shrubs:	
Cost of material (2,4-D and 2,4,5-T) per acre at \$6.25-----	62.50
Estimated cost per acre for spraying at \$2-----	20.00
Total cost to farmer-----	82.50

ACP cost share assistance:	
Per acre for material-----	23.00
Per acre for spraying with power equipment-----	16.50
Plus small cost share increase---	11.80
Total ACP assistance-----	51.30

Total cost share to farmer---- 31.20

Purchase orders will be issued for lime and fertilizer in 1962. When these orders are requested by the farmer the cost share assistance is paid direct to the approved dealer. He in turn bills you for the difference.

This ad through the cooperation of your ACP approved vendors listed below:

Economy Hardware & Farm Supply, Fertilizer, New Castle, Va.; John H. Pullen, Fertilizer and Ground Limestone, Clifton Forge, Va.; Richmond Guano Co., Fertilizer, Richmond, Va.; Rockdale Quarries Corp., Ground Limestone, Roanoke, Va.; Catawba Mercantile Co., Fertilizer, Catawba, Va.; W. R. Estes, Fertilizer, New Castle, Va.; Willis Humphreys, Fertilizer, Paint Bank, Va.; W. G. Matthews Jr., Inc., Ground Limestone, Clifton Forge, Va.; Montgomery Lime Corp., Ground Limestone, Christiansburg, Va.; Christiansburg Fuel & Supply, Inc., Fertilizer, Christiansburg, Va.; Rural Supply Co., Fertilizer, Covington, Va.; Joe M. Sublett, Fertilizer, New Castle, Va.; the American Agricultural Chemical Co., Fertilizer, Greensboro, N.C.

Now these are good examples of the type of practice that is continuing throughout the country and the elimination of these evils was the purpose of my amendment which was defeated yesterday.

Further, Mr. Chairman, I wish to bring to the attention of the House certain information I have obtained about a recent loan of the REA which I think is an out-

standing example of complete irresponsibility by that agency. I think this loan demonstrates everything that is wrong with REA that was brought out in debate yesterday and which demonstrates why the Congress has to regain some control over the way this agency is handling the public's money.

On July 6, REA approved a loan of \$18 million to the Big Rivers Rural Electric Cooperative, of Owensboro, Ky. The loan is for the construction of a 66,000-kilowatt steam generating plant and 282 miles of transmission lines, according to the press release of REA.

However, even this press release of the agency does not appear to be factual if one is to go by newspaper stories concerning this project. And according to the newspapers, this is not a 66,000-kilowatt plant but a 75,000-kilowatt plant and the financial requirements are not \$18 million but some \$25 million.

However, far more important is the background surrounding this loan. In the first place, as with all other such loans, it was handled in complete secrecy. The co-op receiving the loan is a federation of three distribution co-ops which now receive all their power from the Kentucky Utilities Co. and the Louisville Gas & Electric Co.

Mr. Clapp at no time approached these existing suppliers to determine whether they are providing adequate electric supplies and whether they could meet all future demands of the co-ops and whether the price for this power was reasonable. In fact, Mr. Clapp even ignored communications from the Kentucky Utilities Co. when he approached him after having got wind of the loan application from newspaper accounts.

When the company requested information from Mr. Clapp on which to make cost comparison studies in order to protect their existing contracts with the cooperatives, Mr. Clapp refused them the information. The company made its request to Mr. Clapp on June 28 and on July 6 Mr. Clapp approved the loan. On the face of it, his haste appears deliberate and completely irresponsible.

I have it on firm assurance from the company that not only do they have completely adequate supplies of power now for these co-op members, but are completely capable of supplying all their future demands. However, even more significant is the fact that on the basis of present comparative data and the experience with other co-ops which are being supplied by the Kentucky Utilities Co., there is no likelihood that REA-financed facilities will result in a lower cost of power to the cooperatives. Finally, there is one other point to remember. The law under which Mr. Clapp operates very clearly states that he is authorized to make loans "to persons in rural areas who are not receiving central station service."

Thus, we see that Mr. Clapp has gone contrary to every single criteria that would have carried out the intent and purpose of the REA Act. He has ignored the availability of adequate supplies of power. He has ignored the question of cost. He has ignored the law under

which he is supposed to operate. This leaves only the third criterion which he himself instituted, but which he has not advanced as the reason for this Big Rivers loan. And in any event, in view of the existing relationship between this co-op and its electric company suppliers, the third criterion is completely meaningless.

Mr. Chairman, I regard this loan as one of the most highhanded, indefensible actions taken by the REA Administrator since he has been in office; and I wish to insert in the RECORD at this point a letter from Mr. Floyd I. Fairman, president of the Kentucky Utilities Co., to Mr. Clapp, which sets forth in complete detail all the pertinent facts in this case. I urge every one of my colleagues to read it if they want to know just exactly what is going on in the REA these days.

The letter follows:

KENTUCKY UTILITIES Co.,
Lexington, Ky., July 13, 1962.

Mr. NORMAN M. CLAPP,
Administrator, Rural Electrification Admin-
istration, Washington, D.C.

DEAR MR. CLAPP: We were amazed to read in the newspapers on Saturday, July 7, 1962, that your office had on July 6 approved a loan of \$18 million in Federal funds to Big Rivers RECC [Big Rivers] for the construction of a 75-megawatt steam electric generating plant and 266 miles of transmission lines in west Kentucky.

We understand that the House Committee on Agriculture, in its report with respect to pending legislation relating to your Administration, recommended that interested parties certainly should be notified of the making of an application for one of these large generation and transmission loans, and afforded an opportunity to submit to you pertinent facts and their own proposal for the furnishing of such service to the involved distribution cooperatives. Although your office well knows of the vital interest of Kentucky Utilities Co. (KU) in the subject matter of this loan application, contrary to the recommendation of the House committee, your office did not advise us of the making of the application and you did not afford us any opportunity whatever to submit pertinent facts relative to the application. Our information concerning the application for the loan was obtained from newspaper accounts.

When we learned from newspapers of the application for the loan, we requested a meeting with your office and, on June 28, 1962, at our request two representatives of Kentucky Utilities Co. met with you and Assistant Administrator Richard H. Wood. At that meeting, we advised you of our firm opinion that the cost of power to the three involved distribution rural electric co-ops would be substantially less if they continued to purchase their requirements from the private utilities which have been serving these co-ops for years; and we made express request that you furnish to us copies of the loan application of Big Rivers and supporting data, including the feasibility report and cost studies. Your office declined to furnish any of such information to us, and stated that we should request such information from Big Rivers.

In accordance with that advice, on July 2, 1962, we wrote to the president of Big Rivers and made express request for this information, stating in our letter that we wished such information "in order that we might make some comparison of the cost figures under your [Big Rivers] plan and under the rate schedule and offer made by our company." A copy of that letter was sent to you

and necessarily was received by you prior to your announcement of approval of the loan.

You thus were fully advised—before you approved this application—of our interest in the matter and of the fact that we were actively seeking available information for the purpose of submitting cost data to your office. We are not willing to assume that the speed with which you acted to approve this loan was for the deliberate purpose of announcing the approval before we had any opportunity whatever to prepare and deliver to you the data which you were advised we were in the process of preparing, and yet that is the result of your hurried action.

Under the circumstances, your action in approving this application is all the more distressing because, on the facts of this case, we are convinced that your approval of the loan far exceeds your authority under applicable Federal statutes and even under the criteria for considering these generation and transmission loans established by your own office.

It is beyond question that this loan did not receive from your office the informed consideration which should be given the expenditure of \$18 million of the taxpayers' money. When our representatives were in your office on June 28, you stated that you had not reviewed the application and supporting data but that you would do so. You could not have made a careful study of the data by the time you announced your approval of the loan on July 6.

The handling of this loan application of Big Rivers adds support to the fears, expressed in our industry, that your office is proceeding as fast as it can to the socialization of the electric industry in this country without regard for the laws enacted by or the intention of Congress.

THE INTEREST OF KENTUCKY UTILITIES CO.

Big Rivers is an association of three-member distribution rural electric cooperatives: Green River RECC, Henderson-Union RECC, and Meade County RECC. Big Rivers does not at the present time own, and has not heretofore owned, any facilities for the generation, transmission, or distribution of electricity. Continuously from the time of their organization, the three distribution co-ops have been supplied all of their power requirements by investor-owned utilities, except that for a time Green River RECC purchased some of its requirements from the city of Owensboro, Ky., municipal plant, which arrangement has now been terminated.

Presently, Green River and Henderson-Union RECC's purchase all of their power from Kentucky Utilities, while Meade County RECC purchases its requirements from Louisville Gas & Electric Co. (L.G. & E.). The 1962 load of Green River is 20,400 kilowatts, and of Henderson-Union is 13,600 kilowatts, or a total for the two of 34,000 kilowatts. If Big Rivers should construct its proposed generation and transmission facilities, Kentucky Utilities would, as a first result, immediately lose this load in excess of 34,000 kilowatts. In addition, our experience with a generation and transmission co-op already established in Kentucky—East Kentucky RECC (East Kentucky)—has been that, once the taxpayer-subsidized generation and transmission facilities were available, this generation and transmission co-op began competing with Kentucky Utilities and actively soliciting municipalities which had for years been customers of Kentucky Utilities. Our interest in the present application of Big Rivers is, therefore, very direct.

THE GRANTING OF THE LOAN TO BIG RIVERS RECC WOULD BE ILLEGAL AND BEYOND YOUR AUTHORITY AS ADMINISTRATOR

The authority for making of loans by you as Administrator is contained in section 902 of title 7 of the United States Code in the following language:

"The Administrator is authorized and empowered to make loans in the several States and territories of the United States for rural electrification and the furnishing of electric energy to persons in rural areas who are not receiving central station service."

If discussion were confined to your proper authority under the statute, or even more broadly to congressional intent in making Federal funds available to your agency, there would be not the slightest question as to the illegality of your making this loan. These distribution co-ops are receiving, and since their creation have received, nothing but central station service. More broadly speaking, the construction by Big Rivers of the proposed generation and transmission facilities is in no way necessary to or even in aid of rural electrification in Kentucky.

While in our view a discussion limited to your statutory authority as Administrator to make these loans would be entirely appropriate, we are aware that argument so restricted would not carry much weight. We will therefore consider the criteria which your agency has adopted in considering loans of this character.

AN EXISTING ADEQUATE AND DEFENDABLE SOURCE OF POWER IS AVAILABLE

We understand your first criterion to be whether an adequate and dependable source of power is available as an alternate to generation and transmission facilities constructed with taxpayers' funds loaned by your agency. Of this there can be no question in this instance.

The systems of Kentucky Utilities and Louisville Gas & Electric are interconnected with each other and with the systems of other utilities so as to be part of one of the largest power pools in the world. Power from the systems of these utilities will be infinitely more dependable than could possibly be achieved by the single station, single unit system proposed by Big Rivers. Also, there is far more than adequate capacity in the systems of Kentucky Utilities and Louisville Gas & Electric to take care of any conceivable load growth which the distribution co-ops might experience, and such capacity will continue to be maintained.

No consideration of your first criterion could possibly justify the granting of this loan.

THE RATES OFFERED BY EXISTING POWER SOURCES WOULD RESULT IN A LOWER COST OF POWER THAN THE COST FROM REA-FINANCED FACILITIES

In making comparisons based upon rates from available sources of energy, you apparently ignore the differentials resulting from loan of the taxpayers' money to co-ops at the sacrificial 2 percent rate and from tax exemptions enjoyed by the co-ops. Private utilities are expected to obtain their financing at the going market rate and pay present-day burdensome taxes, and still offer a cost of power as low as the subsidized co-ops. In final analysis, a saving in power cost by the 2 percent subsidy and tax exemptions is no real saving in power cost at all.

We will, however, make this comparison of costs on your basis.

These three distribution co-ops have for years been enjoying, from both Kentucky Utilities and Louisville Gas & Electric, very favorable rates duly filed with the Kentucky Public Service Commission. The Louisville Gas & Electric rate is designated REC-2. It is substantially the same as the Kentucky Utilities rate 61. For convenience, both such rates will be referred to in this letter as "rate 61." Since we have in Kentucky the one REA-financed generation and transmission co-op, East Kentucky, we have an excellent basis for comparing the costs to distribution co-ops of power purchased from such federally financed generation and transmission co-ops as against power pur-

chased from the private utilities under rate 61. The three co-ops which purchase from Kentucky Utilities and Louisville Gas & Electric under rate 61 are not members of East Kentucky.

East Kentucky commenced actual operation as a generation and transmission co-op in 1954. Even 5 years later, by 1959, the average power cost to East Kentucky's 16 member co-ops which purchased from it was 8.3 mills per kilowatt-hour. By comparison, for the year ending June 30, 1959, the cost to Green River and Henderson-Union under Kentucky Utilities' rate 61 was, respectively, 7.2 mills and 7.3 mills. Over the 5-year period 1955-59, Green River and Henderson-Union saved \$383,000 as against what their power costs would have been under the average rate paid by the co-ops which purchased from East Kentucky.

To remove any area of doubt resulting from consideration of load factors, we have computed (1) the actual cost to Green River and Henderson-Union under Kentucky Utilities' rate 61 for the 12 months just ended May 31, 1962; and (2) what the costs to these same two co-ops would have been under rates available from East Kentucky during this same period of time. Green River and Henderson-Union actually had power costs under rate 61 of, respectively, 7.12 mills and 7.06 mills per kilowatt-hour. Had their purchases been from East Kentucky under rates available from it, the cost of each would have been 7.42 mills.

As of May 1, 1962, East Kentucky placed into effect a new rate which has been given consideration in the foregoing computation. Even if that new rate had been available through the entire 12 months ended May 31, 1962, Green River's and Henderson-Union's costs under the new rate throughout that period would have been 6.90 mills and 6.92 mills—only, respectively, 0.22 mill and 0.14 mill less than under rate 61. Thus, not only have the rates offered by Kentucky Utilities and Louisville Gas & Electric afforded a lower cost of power, but considering that in excess of \$66 million of the taxpayers' moneys have been invested in the East Kentucky system—with probably another \$25 million to be sought for completion of its Burnside plant—there is no likelihood that the REA-financed facilities will result in a lower cost of power. We remind you that the Kentucky Utilities rate 61 was achieved without the 2-percent money or tax exemption subsidies.

In any event, the latest East Kentucky rate cannot possibly be considered as one which Big Rivers might achieve in the foreseeable future. East Kentucky already has in service a generating capability of 192 megawatts with another unit having a net capacity of 105 megawatts soon to be in service. By comparison, Big Rivers proposes as inefficient system of only 75-megawatts capacity. Also, it required East Kentucky, even though subsidized by the taxpayers to the extent of \$66 million, more than 8 years of operation to achieve a rate as low as the Kentucky Utilities' rate 61. Further, as the load factors of the co-ops improve, their power costs under rate 61 are progressively declining. As noted, for the 12 months ending June 30, 1959, the costs to the two co-ops purchasing from Kentucky Utilities were 7.2 mills and 7.3 mills; by the calendar year 1961, those costs had decreased to 7.15 mills and 7.088 mills; and for the 12 months ending May 31, 1962, they had further decreased to 7.12 mills and 7.06 mills. Thus, by the time Big Rivers could place into operation its proposed system, the costs to the co-ops under rate 61 obviously will be even lower than their present costs of 7.12 and 7.06 mills, respectively.

In the newspaper account of your approval of this loan, the manager of Big Rivers is quoted as having said that construction of the generating plant and trans-

mission lines will mean a saving to the co-ops of \$3,500,000 to \$4,000,000 in the first 10-year period after the facilities are completed. If the data filed with your office purport to show any such savings as those, a cursory study of those figures would have demonstrated their complete invalidity; and it is not to be assumed that you accepted any such totally unfounded claims as a basis for approving the loan. Had you given us the slightest opportunity to present to you the pertinent facts, we could have demonstrated, and now can demonstrate, to your complete satisfaction that any such claimed savings by Big Rivers are totally baseless.

A full and complete investigation and hearing with respect to the cost of power criterion in connection with this loan will conclusively establish that the power costs to these distribution co-ops by continued purchases from the dependable systems of Kentucky Utilities and Louisville Gas & Electric will be substantially lower than the co-ops could possibly experience from the system which Big Rivers proposes to construct.

THERE IS NO NEED FOR THIS LOAN TO BE MADE TO PROTECT THE SECURITY OR EFFECTIVENESS OF ANY REA-FINANCED SYSTEM

This reference obviously is to the third criterion adopted by your agency in 1961 in considering applications for generation and transmission loans. The factors here to be considered are not definitely set forth in any statement of policy. This is one area in which a hearing will be of particular value to all concerned. We have noted your public comments to the effect that these loan applications will be viewed favorably where REA borrowers find themselves forced to rely on a hostile source for their future power supply. We do not believe that even Big Rivers would represent to you that Kentucky Utilities or Louisville Gas & Electric constitutes a hostile source of power supply.

Our relations with the distribution co-ops associated in Big Rivers have always been excellent and singularly free of any friction. There has not been an instance in which a question arising was not talked out openly and fairly and resolved solely between Kentucky Utilities and the co-ops it serves. Neither party has in a single instance found it necessary to take any matter under discussion to the Public Service Commission of Kentucky or to the courts. Kentucky Utilities and Louisville Gas & Electric have cooperated fully with these co-ops in their programs, and every request by them for power or services has been promptly met.

We, of course, are aware of your views on the territorial integrity of co-ops. There is in this area no conceivable basis for your approving this loan.

The present contract between Kentucky Utilities and Green River RECC expires in January 1965. The contract between Kentucky Utilities and Henderson-Union RECC is cancellable on 2 years' notice. The relatively short terms of these contracts have been at the co-ops' insistence, and we have always been prepared to enter into contracts to supply their power needs at the very favorable rate for such period of time as the co-ops might wish.

Congress never intended that Federal funds be made available to co-ops at the 2-percent rate for the purpose of engaging in destructive competition with private utilities for industrial, commercial, and even municipal loads. However, prior to the making of the present application by Big Rivers, we offered to these co-ops new contracts which would not restrict the co-ops in any way whatever as to the character or type or size of load they could serve. The largest industrial loads would be available to them.

Just as the co-ops, however, say they wish protection against the raiding of customers

and territory they developed, so do we. The proposed contracts which we submitted therefore contain restrictions against either party's invading territory developed and served with adequate facilities by the other. The provisions we suggested would operate in precisely the same manner for the protection of the co-ops.

The contracts we offered to Green River and Henderson-Union RECC's fully meet the requests in your pertinent directives to co-ops and particularly those in your bulletin 3-3 of February 12, 1962. Unless co-ops wish contracts which protect them as to customers and territories they have developed but at the same time leave them free to raid territories and customers of private utilities, we do not believe there can be any objection to the provisions we offered to these two co-ops.

At the recent meeting in your office, Assistant Administrator Wood did question whether one phrase in our proposed contracts was sufficiently definitive as to the territory or area intended. In contract provisions of this sort, all of us are trying to deal in advance with situations which have not arisen. Language necessarily must be somewhat general. Since returning from Washington, our representatives have carefully considered Mr. Wood's comment, but are somewhat at a loss as to how to be more specific in terms. As we stated to you in our meeting, however, if either your office or Big Rivers will suggest a reasonable alternate phrase or provision, we will doubtless find it acceptable; we have no difference in principle.

In any event, this phrase relating to service area—your only objection to our proposed contracts—is a detail of the most minor sort. Our contracts will give the co-ops full freedom of action as to all classes of customers and the territorial protection you say they need, with no more than identical reciprocal protection to us. You could not possibly have considered any objection to our proposed contracts a justifiable basis for granting this loan. Your action in announcing approval of the loan, without having first submitted or had Big Rivers submit to us a draft of contract or counterproposal, convincingly demonstrates that the minor point raised by Mr. Wood did not constitute a genuine objection to our proposed contracts.

We are firmly convinced that, in this entire area of your third criterion, there is no possible justification for approval of this loan. If any party has any comments to the contrary or criticism of Kentucky Utilities in any phase of its relations with these co-ops, we request that we be advised of the precise comment or criticism and afforded an opportunity to meet it squarely.

THE MATTER OF SECRECY IN THE CONSIDERATION OF THESE LOANS AND THE NEED FOR PUBLIC DISCLOSURE OF INFORMATION AND HEARINGS

To the present time, your agency has been singularly free of any kind of supervision or regulation in its spending of billions of dollars of the taxpayers' moneys. Congress has never considered individual projects prior to the spending of Federal funds. You have resisted any check by the courts on your spending of these funds.

These circumstances should be considered as imposing upon you a duty of extra care in your investigation of loan applications and your decisions to spend these vast amounts of public funds. To the contrary, your office has shrouded its activities in this field in the utmost secrecy and has acted in such manner as to make it impossible even for interested parties to present pertinent facts which necessarily should be considered in determining your proper course with respect to one of these applications.

As stated at the outset of this letter, although you did not see fit to notify us of the

making of this application, we learned of it and promptly put you on notice of our interest and of our conviction that the making of the loan would be unlawful. We requested information which would have enabled us to demonstrate to you the impropriety of your granting this loan. When you refused us this information and referred us to another source, we promptly went to that source and, by a copy of our letter, notified you what we were doing. We put you on notice that we were satisfied that cost studies would demonstrate the impropriety of granting the loan, and that we were proceeding to prepare factual data for submission to you.

Instead of demonstrating any interest in receiving and considering further pertinent information you acted immediately to approve the loan before we could place in your hands such factual data which, if ignored, might have embarrassed you in granting the loan.

THE INTEREST OF THE GENERAL PUBLIC IS NOT RECEIVING ANY ATTENTION WHATEVER IN YOUR OFFICE'S CONSIDERATION OF THESE GENERATION AND TRANSMISSION LOANS

Thus far in this letter, we have dealt only with the interests of the distribution co-operatives and their individual members in stating to you that the facts of the present matter do not begin to justify the making of this loan. In other words, the immediate expenditure of \$18 million of Federal funds—and the inevitable ultimate expenditure of additional millions of dollars on this same project—would not result in any benefit to these co-ops and their members.

There is another factor, however, which we are satisfied you are giving no weight whatever. That is the interest of the general public in this wholly wasteful expenditure of its money.

The present application of Big Rivers was, according to the newspapers, not for a loan of \$18 million for the construction of the 75-megawatt generating plant and 266 miles of transmission lines, but a loan of \$25,297,000 for the construction of the plant and 592 miles of lines. The power contract between Meade County RECC and Louisville Gas & Electric does not expire until 1968. It is our understanding that, for this reason, the project as now approved postpones for several years the construction of the transmission lines to serve Meade County RECC and postpones for this same short time the expenditure of the additional \$7,297,000 for this part of the project. Thus, within the next several years it is definitely contemplated that \$25,297,000, rather than \$18 million, of Federal funds will be spent on this project.

Further, as you well know, once one of these generating plants and its system of lines is constructed, the spending of Federal funds on the project has only begun. East Kentucky similarly started with an initial loan of about \$12 million; but additions to its system have already cost the taxpayers in excess of \$66 million, and at least another \$25 million will undoubtedly be sought by East Kentucky for installation of additional capacity in its Burnside plant.

Even if the expenditure of these uncoun-
tented millions of dollars for a new generating plant and system of transmission lines for Big Rivers would substantially benefit the distribution co-ops and their members—and that is positively not so in this case—still, such benefit as the co-ops would derive should be weighed against the interest of the general public in this expenditure of its moneys. We do not understand the intent of Congress, as expressed in its laws, to be that Federal funds can be expended for the construction of cooperative generating plants and transmission systems at any time such expenditure may result simply in lower costs to the distribution co-

ops. After all, the procurement of capital at a 2-percent rate plus the tax exemptions enjoyed by co-ops should be expected to ultimately result in somewhat lower costs. Again, we do not understand that to be the criterion. Rather, we understand the law to be that Federal loans for generating plants and transmission systems are not authorized when adequate and dependable power is available to the distribution co-ops at fair and reasonable costs, considering that the investor-owned utilities which supply such power must obtain their capital at going market rates and pay applicable taxes.

In this instance, an impartial study would establish that the power costs to these distribution co-ops from the private utilities, are not only entirely fair and reasonable, but are in fact less than the costs the co-ops would experience from the Big Rivers project.

Particularly at the present time, responsible public officials in all branches of government are demanding that unnecessary Federal expenditures be avoided. On the facts of this case, the expenditure of, first, \$18 million, and then another \$7,297,000, and ultimately many more millions of dollars of Federal funds for the construction of the Big Rivers project would represent an unjustifiable waste of taxpayer funds. This expenditure cannot be justified for any legitimate purpose of rural electrification. It can be explained—not justified—only as a step in the determined program of your agency to establish a system of federally owned and federally financed utility operations to destroy and replace the free enterprise system of utilities in this country.

If this program is to be adopted at all, a determination to that effect would be the sole prerogative of Congress and not of your agency. If, contrary to the intent of Congress, your agency attempts to further such program, it is apparent that the only remedy is for the control of Federal funds for rural electrification purposes to be withdrawn from your agency and returned to the Congress.

REQUEST FOR REVOCATION OF YOUR APPROVAL OF THE LOAN AND FOR A HEARING ON THE APPLICATION

If you are willing to consider this loan application on its merits and after a full development of the facts, we request that you immediately (1) revoke your approval of the loan, (2) make available to us information so that we can prepare and submit a detailed study of a comparison of costs to the co-ops of obtaining their power under the several possible alternatives, and (3) hold a hearing at which all interested parties will be given an opportunity to present to you facts which should be considered before the taxpayers' funds are committed.

If your objective in administering the Rural Electrification Act is to make these large loans of public funds only, as Congress intended, for legitimate purposes of rural electrification, and in instances where the distribution cooperatives cannot obtain their power from private sources at rates which are entirely fair and reasonable, we feel that you will grant our request, permit a full development of the facts in connection with this loan application and thereafter reconsider it on its true merits. The making of the loan to Big Rivers would represent needless waste of Federal funds for the purpose of placing another federally subsidized generation and transmission co-op in a position to engage in destructive competition with investor-owned utilities.

Very truly yours,

FLOYD I. FAIRMAN,
President.

In addition, Mr. Chairman, at this point I wish to request permission to insert in the RECORD two resolutions per-

taining to the REA. The first resolution is by the Taxpayers' Association of the State of South Dakota directed to the empire building of REA, and the second resolution is by the South Dakota Stock Growers Association directed to the expansion of REA beyond the intent and purposes of the original act. These two resolutions are indicative of the growing nationwide concern over the unrestrained and unbridled activities of this Federal lending agency:

RESOLUTION OF SOUTH DAKOTA TAXPAYERS, PIERRE

THE TAXPAYERS WATCHDOG

A considerable number of the members of the South Dakota Taxpayers Association are customers of the Rural Electrification Administration Cooperatives. They have been strong supporters of the original concept of bringing power to the rural areas. Current practices of the REA show a decided trend toward empire building. Realizing these facts in relation to the REA system, the board of directors of the taxpayer association has approved the following resolution:

"Whereas the South Dakota Taxpayers Association has always stood for private and free enterprise and has opposed special privilege for one industry as opposed to another industry; and

"Whereas the Rural Electrification Administration was established for the purpose of furnishing electric power to isolated areas where central station power was not available; and

"Whereas the REA has largely accomplished this purpose since 98 percent of the farms and ranches of the Nation are now served with electricity with plans for reaching a 100 percent goal; and

"Whereas, the South Dakota Taxpayers Association commends the REA for the fine job well done in serving the farms and ranches in South Dakota; and

"Whereas approximately five out of six customers now being connected nationally by the REA are nonfarm and nonranch: Now, therefore, be it

"Resolved, That the South Dakota Taxpayers Association, by action of its board of directors in regular meeting in Pierre, S. Dak., on June 9, 1962, opposes further expansion of the REA cooperatives beyond the intent and purpose of the original act; and be it further

"Resolved, That REA cooperatives be fully compensated for territory and properties annexed to private power companies."

This resolution makes clear the belief of the association in our free enterprise system; that we oppose segments of the economy receiving undue special advantages; and the necessity to strictly limit the operation of Government when it oversteps the powers which have been granted to it.

R. LYLE BARTON,
Executive Director, South Dakota Taxpayers Association.

RESOLUTION OF SOUTH DAKOTA STOCK-GROWERS ASSOCIATION
REA

Whereas the South Dakota Stockgrowers Association has always stood for private and free enterprise and has opposed special privileges for one industry as opposed to another industry; and

Whereas the REA was established for the purpose of furnishing electric power to isolated areas where central station power was not available; and

Whereas the REA has largely accomplished this purpose since 98 percent of the farms and ranches nationally are now served with electricity with plans for reaching 100-percent goal; and

Whereas the South Dakota Stockgrowers Association commends the REA for the fine job well done in serving the farms and ranches in South Dakota; and

Whereas approximately five out of six customers now being connected nationally by the REA are nonfarm and nonranch: Therefore be it

Resolved, That the South Dakota Stockgrowers Association, in convention in Sturgis, S. Dak., June 2, 1962, opposes further expansion of the REA beyond the intent and purpose of the original act; and be it further

Resolved, That in any case when any REA loses territory because of annexation by a city that full compensation for their facilities be granted on a fair and equitable basis.

Also, Mr. Chairman, I think it is important to put the generation and transmission activities of the Rural Electrification Administration in their proper perspective.

We were reminded yesterday that the Rural Electrification Act of 1936 did not intend for REA to make loans primarily for electric cooperatives to generate their own supply of power. So, I will not take time to review that important history.

The part of this picture which is of particular concern to me—and I think should be of concern to every conscientious Member of this House—is that even though we have achieved the enviable position in this Nation of having almost 98 percent of the farms electrified—which was the basic purpose for which Congress enacted the Rural Electrification Act of 1936—the magnitude of money requests from this agency is increasing rather than decreasing. Perhaps we see a new variation of Parkinson's law which might read: "As a bureaucratic agency approaches completion of the goal established for it, the amount of money requested from the taxpayers increases rather than decreases."

Mr. Chairman, let no one misunderstand my position. As I have consistently said, and repeated yesterday, that in filling its assigned task of distributing electric power to residents of rural areas who cannot obtain power from commercial sources, the REA has clearly met a well-defined need and has played an important role in the economic upgrading of many rural areas. However, I must draw the line in my own mind when the agency wants to assume as its primary function the granting of loans for the generation of electric power at subsidized interest rates and freedom from payment of Federal income taxes.

To show this trend on generating loans, I prepared a brief table showing generation and transmission loans as a percentage of total loans for each fiscal year from 1936 through February 1, 1962. To me, this was very revealing and has caused me serious concern. For example, in 1936 only 0.2 percent of total loans went for generation and transmission purposes; by 1940, 1.4 percent; 1950, 36.4 percent; in the decade to 1960, the percentage fluctuated between 19 percent in 1954 to a high of 40.4 percent in 1960. Now, on February 1, 1962, we see 57 percent of all loans granted by REA going for generation and transmission purposes, and the re-

quest for fiscal 1963 is for about 60 to 65 percent for generation and transmission loans. Every indication is that it will continue to increase in future years. Under unanimous consent, I insert this brief table at this point:

Rural Electrification Administration total loans granted—Generation and transmission loans granted by fiscal years 1936–62

Fiscal year	Total electric loans granted	Generation and transmission loans granted	Generation and transmission loans as percentage of total loans
1936-----	\$13,910,404	\$28,000	0.2
1937-----	45,025,813	1,482,000	3.3
1938-----	29,254,853	1,115,000	3.8
1939-----	139,149,829	3,484,000	2.5
1940-----	41,682,050	586,000	1.4
1941-----	100,054,672	5,612,150	5.6
1942-----	91,152,724	28,162,700	30.9
1943-----	6,700,978	1,695,294	25.3
1944-----	31,930,124	3,017,550	9.5
1945-----	26,343,238	5,719,924	22.2
1946-----	289,372,488	31,920,043	10.6
1947-----	254,521,172	33,134,895	13.0
1948-----	313,023,099	39,978,033	12.8
1949-----	448,859,597	85,000,526	18.9
1950-----	375,151,456	136,439,210	36.4
1951-----	221,733,800	51,159,000	23.1
1952-----	165,425,811	61,387,000	37.1
1953-----	164,972,662	28,939,500	22.0
1954-----	187,104,100	31,749,760	19.0
1955-----	167,530,430	41,882,500	25.0
1956-----	189,804,800	61,251,939	32.3
1957-----	300,461,514	120,153,676	39.9
1958-----	241,636,569	86,338,132	35.8
1959-----	177,292,100	64,814,397	36.5
1960-----	220,108,000	88,971,495	40.4
1961-----	274,507,218	151,938,830	55.3
1962-----	103,144,000	155,144,000	57.0

Source: Annual reports of Rural Electrification Administration.

Mr. Chairman, at this time when almost everyone is saying that we need a reduction in taxes to stimulate the national economy, I think it is more important than ever to reduce Federal spending as much as possible. I realize that the Michel amendment will not reduce the overall amount of money which REA will be allowed to borrow from the Treasury, but by placing the \$100 million limitation on the granting of generation and transmission loans it will be putting the program back on the right track and may result in some savings to the taxpayer in future years. For this reason, I support the Michel amendment.

Furthermore, Mr. Chairman, even though my amendment was defeated, I was very encouraged with the vote, and the next time around I will win. I am sure Mr. Clapp realizes this; and, therefore, I can see no reason why when the Administrator comes to us for his appropriations next year he cannot give us specific details on all the large generation and transmission loans he is planning to make in a coming fiscal year.

The procedure involved in building an electric generating plant is a pretty involved one. It simply cannot be done in haste, and it cannot be done in a short period of time.

I am informed that the procedure will go something as follows: First, the cooperatives which are planning to construct a generating plant will have a preliminary meeting to discuss proposed costs. This meeting will usually be attended by their consulting engineer and the local REA engineer and sometimes an engineer from the REA Washington area office. The consulting engineer

presents his estimate of the cost of preparing a study of the proposed generation and transmission project and, if satisfactory, general funds of the cooperative are voted to finance this study. The engineer must be furnished with load data and load center locations by the distribution cooperatives. He must then determine suitable plant site, lay out the backbone transmission system, and determine substation sites. He must obtain bids on all equipment involved. When all of his data is prepared, he must prepare an economic study for submission to the cooperatives. This economic study is then presented by the cooperatives to the REA Washington office to be checked by the Washington office engineers.

A study of this kind would take at least 1 year to prepare. As the study progresses, the feasibility of the project can usually readily be determined. By the time it reaches the REA Washington office, the REA area director should be in a position to know whether the project has any merit. After it reaches his office and is assigned to an engineer to study, there will probably be 6 to 8 months required before the engineer can make his recommendation to the Administrator as to the feasibility of the project.

It seems apparent, therefore, that the Administrator should be in a position to have a rather precise estimate of the feasible projects that will be submitted to him for consideration during the following fiscal year at the time that he appears before the Appropriations Committee with his request for funds.

I fail to see how there can be any validity to the argument by the Administrator that he cannot come before the Congress with complete details of all the large generation and transmission loans he plans to make in any fiscal year.

Finally, Mr. Chairman, the claims that my amendment, which was defeated, would leave the REA borrowers in a bad way financially, is not valid. Let us look at the facts. The net margin—excess of revenues over expenses—of REA borrowers in 1960 was \$87,212,359; up from \$69,389,622 in 1956. The long-term debt as a percent of net assets had declined from about 88 percent in 1956 to 78.6 percent in 1960. In 1960 only 30 REA borrowers had deficits in their net margins—out of 959 borrowers—as against 277 in 1950. The REA borrowers in 1960 had investments and special funds of \$350,537,000 in 1960; up from \$143,561,000 in 1956. That is a gain of \$207 million in 5 years. These are readily available funds that can be tapped to meet a special situation.

Now, let us look at the cost of power bought by REA borrowers. According to NRECA's "Rural Electric Fact Book," 1960, the cost of power bought from investor-owned electric companies declined from 1.24 cents per kilowatt-hour in 1940 to 0.80 cent in 1958, or a decline of 38 percent. What happened to the cost of power bought by co-ops from REA borrowers? From 1940 to 1958 it fell from 1.28 cents to 1.16 cents, or a decline of only a little over 9 percent. REA borrowers buying power from elec-

tric companies have received greater reductions in power costs since 1940 than those buying from other REA borrowers.

In conclusion, I wish to repeat that the 133-to-94 count on the vote on my amendment is indicative of the fact that more Members are becoming aware of the need for additional legislation in this area, and I would assume that in the next session we will see Congress once again regain control over this program that has gotten completely out of hand.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MICHEL. I am constrained to say "Yes," Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MICHEL moves to recommit the bill to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. BROOMFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 345, nays 41, not voting 49, as follows:

[Roll No. 175]

YEAS—345

Abbt	Andersen,	Arends
Abernethy	Minn.	Ashley
Addabbo	Anderson, Ill.	Ashmore
Albert	Andrews	Aspinall
Alexander	Anfuso	Auchincloss

Avery	Gray	Mosher
Ayres	Green, Oreg.	Moss
Bailey	Green, Pa.	Multer
Baker	Griffiths	Murphy
Baldwin	Gross	Murray
Barrett	Hagan, Ga.	Natcher
Barry	Hagen, Calif.	Nedzi
Bass, Tenn.	Haley	Nelsen
Bates	Halleck	Nix
Battin	Halpern	Norrell
Beckworth	Hansen	Nygaard
Beermann	Harding	O'Brien, Ill.
Belcher	Hardy	O'Brien, N.Y.
Bennett, Fla.	Harris	O'Hara, Ill.
Bennett, Mich.	Harrison, Wyo.	O'Hara, Mich.
Berry	Harsha	O'Konski
Betts	Harvey, Ind.	Olsen
Blatnik	Hays	O'Neill
Boland	Healey	Ostertag
Bolling	Hechler	Passman
Bonner	Hemphill	Patman
Bow	Henderson	Pelly
Boykin	Herlong	Perkins
Brademas	Hoeyen	Pfost
Bray	Holifield	Philbin
Breeding	Holland	Pillion
Brewster	Horan	Pirnie
Bromwell	Huddleston	Poage
Brooks, Tex.	Hull	Poff
Brown	Ichord, Mo.	Price
Broyhill	Inouye	Pucinski
Burke, Ky.	Jarman	Quile
Burke, Mass.	Jennings	Randall
Burleson	Jensen	Reece
Byrne, Pa.	Joelson	Reifel
Byrnes, Wis.	Johnson, Calif.	Reuss
Cahill	Johnson, Md.	Rhodes, Ariz.
Cannon	Johnson, Wis.	Rhodes, Pa.
Carey	Jonas	Riehlman
Casey	Jones, Ala.	Riley
Cederberg	Jones, Mo.	Rivers, Alaska
Celler	Karsten	Rivers, S.C.
Chamberlain	Karth	Roberts, Ala.
Chelf	Kastenmeier	Roberts, Tex.
Chenoweth	Kearns	Rodino
Chiperfield	Kee	Rooney
Clark	Kelly	Roosevelt
Cohelan	Keogh	Rosenthal
Colmer	Kilgore	Rostenkowski
Conte	King, Calif.	Roudebush
Cook	King, N.Y.	Roush
Cooley	Kirwan	Rutherford
Corman	Kitchin	Ryan, Mich.
Cunningham	Kluczynski	Ryan, N.Y.
Curtin	Knox	St. George
Daddario	Kornegay	Santangelo
Dague	Kowalski	Saylor
Daniels	Kunkel	Schadeberg
Davis,	Kyl	Schenck
James C.	Laird	Schneebell
Davis, John W.	Landrum	Schweiker
Dawson	Lane	Schwengel
Delaney	Langen	Scott
Dent	Lankford	Scranton
Denton	Latta	Seely-Brown
Diggs	Lennon	Selden
Dingell	Lesinski	Shelley
Dole	Libonati	Sheppard
Dominick	Lindsay	Shipley
Donohue	Lipscomb	Short
Dorn	McCulloch	Shriver
Dowdy	McDonough	Sibal
Downing	McDowell	Sikes
Doyle	McFall	Siler
Dulski	McIntire	Sisk
Durno	McMillan	Slack
Dwyer	Macdonald	Smith, Iowa
Edmondson	MacGregor	Smith, Va.
Elliott	Mack	Springer
Ellsworth	Magnuson	Stafford
Everett	Mahon	Staggers
Evins	Mallard	Steed
Fallon	Marshall	Stephens
Farbstein	Martin, Mass.	Stratton
Fascell	Martin, Nebr.	Stubblefield
Felghan	Mason	Sullivan
Fenton	Mathias	Taylor
Finnegan	Mathews	Teague, Tex.
Fisher	May	Thompson, Tex.
Flood	Meador	Thomson, Wis.
Forrester	Miller, Clem	Thornberry
Fountain	Miller,	Toll
Frelinghuysen	George P.	Tollefson
Friedel	Miller, N.Y.	Trimble
Garland	Milliken	Tuck
Garmatz	Mills	Tupper
Gary	Moeller	Ullman
Gathings	Monagan	Vanik
Gavin	Montoya	Van Pelt
Giaino	Moorehead,	Van Zandt
Gilbert	Ohio	Vinson
Glenn	Moorhead, Pa.	Waggoner
Gonzalez	Morgan	Wallhauser
Goodling	Morris	Walter
Granahan	Morrison	Watts
Grant	Morse	Weaver

Weis
Westland
Whalley
Wharton
Whitener
Whitten

Wickersham
Widnall
Williams
Wilson, Calif.
Wilson, Ind.
Wright

Young
Younger
Zablocki
Zelenko

NAYS—41

Adair
Alger
Ashbrook
Becker
Bell
Broomfield
Bruce
Church
Clancy
Collier
Corbett
Curtis, Mo.
Derounian
Derwinski

Devine
Dooley
Findley
Fino
Ford
Fulton
Goodell
Griffin
Hall
Harvey, Mich.
Hiestand
Hoffman, Ill.
Hosmer
Johansen

Keith
Michel
Minshall
Osmer
Pike
Ray
Robison
Rogers, Fla.
Roussetot
Smith, Calif.
Thomas
Udall, Morris K.
Utt

NOT VOTING—49

Alford
Baring
Bass, N.H.
Blitch
Boggs
Bolton
Buckley
Coad
Cramer
Curtis, Mass.
Davis, Tenn.
Flynt
Fogarty
Frazier
Gallagher
Gubser
Harrison, Va.

Hébert
Hoffman, Mich.
Judd
Kilburn
King, Utah
Loser
McSweeney
McVey
Madden
Morrow
Moore
Moulder
Norblad
Peterson
Pilcher
Powell
Purcell

Rains
Rogers, Colo.
Rogers, Tex.
St. Germain
Saund
Scherer
Smith, Miss.
Spence
Taber
Teague, Calif.
Thompson, La.
Thompson, N.J.
Willis
Winstead
Yates

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Teague of California for, with Mr. Kilburn against.

Mr. Cramer for, with Mr. Taber against.

Until further notice:

Mr. Hébert with Mr. Bass of New Hampshire.

Mr. Rogers of Texas with Mr. Norblad.

Mr. Boggs with Mr. Scherer.

Mr. Buckley with Mr. Curtis of Massachusetts.

Mr. Loser with Mrs. Bolton.

Mr. Peterson with Mr. Gubser.

Mr. St. Germain with Mr. Morrow.

Mr. Pilcher with Mr. Judd.

Mr. Thompson of New Jersey with Mr. McVey.

Mr. Rains with Mr. Hoffman of Michigan.

Mr. Alford with Mr. Moore.

Mr. BELL changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EQUAL PAY ACT OF 1962

Mr. ZELENKO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11677) to prohibit dis-

aid to education. Others are even more emotion charged—Jerry Lewis, Ed Sullivan, George Jessel and company: "The Supreme Court slapped Kennedy in the mouth." "Who says my kid can't pray in school?" "If they can teach them to drive a car they should be able to teach them to pray."

Far more astute, we think, than such catch phrases are those statements from churchmen themselves. Dr. Douglas M. Branch, general secretary of the North Carolina Baptist State Convention, a church leader from the heart of the Bible Belt, declared:

"I think the ruling was inevitable. I don't see how the Court could have ruled otherwise. I think it is a clear violation of the Constitution for the administration of a public school to require prayers."

"It is no part of the business of Government to compose official prayers for any group of American people to recite as part of a religious program carried on by the Government."

We heartily agree. The adoption of an official prayer whose recitation is to be enforced as part of the public school program has no authorization under our country's Constitution.

But nobody, and certainly not the Supreme Court, has ruled that there will be no praying in classrooms, or that baccalaureate programs cannot be continued for those who wish to attend, or that special programs may not well begin with an invocation.

The important factor which we feel the New York State edict overlooked is that prayer is a personal thing. It varies among individuals as well as among religious creeds. The real meaning of prayer stems from an inner association with God; prayer is not a matter of recitation, a business of spouting off some meaningless words by rote while fashioning the day's first spitball.

Our own Talawanda High School, we think, has bridged the issue beautifully with its thought for the day, a nonreligious, yet spiritual, comment which precedes each day's morning announcements. Supervised by the student council with the cooperation of school service clubs, the thought is prepared and delivered by a different student each week. Frequently the student uses a quotation upon which to construct the day's comment.

A typical thought, for instance, began with an anecdote concerning a youth who fell from his boat, off the Atlantic coast, into the sea. A poor swimmer, he barely managed to keep afloat. Then when all seemed lost, he was spotted by a sailor aboard the Navy ship *Kittywake* and within minutes was rescued.

"Blessed are those," the Talawanda thought summarized, "who keep on the lookout for all in need, physically or spiritually. One person on the alert is better than a thousand whose vision does not go beyond self."

And such thought-provoking messages, prepared and delivered by the students themselves, are better, we feel, than a thousand recitations whose vision does not go beyond rote-learning and governmental enforcement.

The quest for religious freedom is what brought the Pilgrims to this shore in the first place. Men of profound religious faith themselves, they recognized all too well that true freedom of religion demands true freedom from governmental interference. Thus the first amendment came into being.

It is also basic to our way of life that religious education be the responsibility of the church and home, not the public schools. The Supreme Court decision thus reaffirms that point.

Furthermore, the right we have always had to teach our children in our homes and churches those particular religious beliefs which we ourselves hold remains the same.

The Supreme Court decision can only serve to remind parents that this is not only a right but also a duty.

In fact, considering the increasing trend toward expecting local, State, or Federal Governments to protect and watch over us from the cradle to the grave, this decision which emphasizes that there are still some responsibilities better assumed by other influences, comes almost like a fresh cool breeze—a stirring up of ever-strong, if somewhat musty, currents from the old frontier.

Carl L. Phinney: Citizen Soldier

EXTENSION OF REMARKS

OF

HON. JOE M. KILGORE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 25, 1962

Mr. KILGORE. Mr. Speaker, the Texas rolloall of military leaders is honored to list Lt. Gen. Carl L. Phinney, of Dallas, among the top men in that category.

General Phinney's military service to his Nation and his State has spanned almost two generations. It has taken him from private to lieutenant general and he has served with distinction all the way.

Frank Langston, of the Dallas Times Herald, aptly recites General Phinney's long capabilities in a recent article which I am privileged to insert in the RECORD so all who know General Phinney may have a chance to read this tribute to a dear friend.

The article reads as follows:

THE LONG LOOK: CARL L. PHINNEY—CITIZEN SOLDIER

(By Frank Langston)

National defense has always had an important role in Texas—from the siege of the Alamo to the present.

And for many Texans—at home, at school, or at work—military service is a way of life. They are citizen soldiers and proud of it.

They may say little about it, but they place a high value upon freedom, country, flag, honor and duty. They have a high regard for efficiency and discipline. They believe in the principles of our free Nation and hope to pass on those same principles to their children.

Year after year they work seriously but without much fanfare at the exacting tasks of military training. And year after year for a short time they move out into the field to put that training to the best practical test short of combat.

Many make personal sacrifices to continue their military careers. But they are more likely to count it as duty than as sacrifice. It's a way of life.

Texas has been blessed with many outstanding citizen soldiers through the years, serving with distinction in peacetime or in combat.

But few have served Texas and the Nation better than Lt. Gen. Cary L. Phinney, who rose from young private to commander of the Texas National Guard.

EFFORTS FOR DEFENSE

General Phinney is a successful Dallas attorney and a civic leader in his community. But for years he has given even more of his time and efforts to the Guard and to the cause of national defense than to his law practice.

And last weekend, at a review in his honor by men of the 36th Infantry Division where

he spent most of his career, he was awarded the National Guard Association Distinguished Service Medal.

It was a fitting tribute to an outstanding citizen soldier.

Thirty-six years ago Carl Phinney, a student at the University of Texas, enlisted in the 36th Infantry Division. Not long afterward he was commissioned as a quartermaster officer. By World War II he had risen to division quartermaster. He was awarded the Silver Star for gallantry in action at Salerno and was division logistical officer until rotated back to the United States.

EIGHT YEARS AS COMMANDING GENERAL

When the 36th Division was reorganized as a National Guard outfit after World War II, he was named chief of staff and by the time of the first summer field training was assistant division commander with special attention to infantry training. For 8 years he served as commanding general of the division, during which it was reorganized along the current pentomic concept.

Then last fall General Phinney retired and was promptly appointed to the honorary—but very active—post of commander of the Texas National Guard.

But commanding the division—or the Texas National Guard—was only a part of his work as a citizen soldier.

General Phinney believes strongly that America must have a strong national defense. He believes the cheapest, most practical way to achieve it is through building and maintaining strong Reserves.

Day after day, night after night, he told the story of national defense to civic groups.

As a senior officer, he was named to various policy boards within the Defense Department. He served as vice president of the National Guard Association of the United States, an organization that has made its voice heard frequently on defense matters.

MUST HAVE STRONG DEFENSE

"America must have a strong national defense," General Phinney frequently has told audiences—military and civilian alike.

"We must have an adequate Reserve," he has insisted just as frequently. "We must have a Reserve made up of men brought to a high degree of training, not only as individuals but as units. And our Reserves must be supplied with the newest weapons and equipment."

The citizen soldiers who have gone to camp with General Phinney each summer have found that their duties there were no picnic.

But then, war is no picnic, either. And the general insisted on preparedness for any emergency. They were there because they also believed in national defense.

For many of them, as it has been for years with General Phinney, military service is a way of life.

The Size of the National Debt Doesn't Matter Because We Owe It to Ourselves

EXTENSION OF REMARKS OF

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 25, 1962

Mr. ROUSSELOT. Mr. Speaker, Leonard E. Read has written a series of articles in which he discusses clichés of socialism.

Article No. 6 in the series concerns the cliché: "The size of the national debt doesn't matter because we owe it to ourselves."

I believe this article will be of interest to my colleagues and under unanimous consent place it in the Appendix of the CONGRESSIONAL RECORD.

CLICHES OF SOCIALISM

(No. 6)

"The size of the national debt doesn't matter because we owe it to ourselves."

Some things a person does owe to himself—intangibles like respect, integrity, responsibility. "This above all, to thine own self be true." But such duties to self are not a debt in the usual sense of a repayable loan or obligation.

If an individual transfers his own money or his own promise to pay from his right pocket to his left, the transaction clearly leaves him neither richer nor poorer. There would be no point in a person's borrowing from himself; but if for some reason he did, the size of the debt he owed himself wouldn't matter at all. However, if A gives his property to B, we do not say that each is as rich or as poor as before. Or, if C buys extensively on credit, his creditors surely do not believe that C "owes it to himself." They are keenly aware that the size of his debt makes a big difference when the bills fall due.

Instead of an individual, one might conceive of a society with the Government owning or controlling all property and persons and issuing money or bonds as a bookkeeping device to keep track of its spending. In such a situation, it wouldn't matter how many promises or bonds had been issued or remained outstanding. Since individuals would have neither property nor rights, the socialized government—as sole owner—would only be dealing with itself. But in a nonsocialized society, individuals do have rights and may own property. If the Government borrows property from citizen A, then it is obligated to repay that debt to A—not to B or C or D. The individual who owns a Government bond may be a taxpayer as well, and thus liable in part for the taxes the government must collect in order to redeem his bond; but B and C and D are also liable as taxpayers even if they own none of the bonds themselves. And the size of the debt makes a real difference to everyone involved.

One of the vital characteristics of the institution of private property is that ownership and control rests with individuals, and whether a person owns or owes makes a whale of a difference in how rich or how poor he is.

The concept of private ownership and control of property further presupposes a government of limited powers instead of a socialized society in which everything and everyone is government owned and controlled. Private property owners presumably have something to say about the extent to which government may tax or seize their property; otherwise, it wouldn't be a limited government, and there wouldn't be private property.

Now, government debt signifies that government has made certain claims upon private property above and beyond the "due processes" of authorized taxation. The semblance of private property must be maintained, else the government could find no "owner" from whom to "borrow" and no taxpayers upon whom to draw when the debt falls due. But, in essence, the government debt is an existing claim against property—like an unpaid tax bill—and the larger that debt, the less is the real equity of individuals in what is thought to be private property. In that sense, the socialization already has occurred, and the government does "owe to itself" because it owns the property. The size of the debt is important, however, because it measures the amount that taxpayers and property owners owe—not to themselves, but

to the government over which they have lost control insofar as it now owns and controls them.

It would be most surprising to find a completely socialized government heavily in debt, simply because no sensible property owner would lend to such an institution if he could possibly avoid it. Though deficit financing seems inconsistent with the original American design of limited government, it is possible in an emergency for a limited government to find voluntary creditors, especially among its own citizens who expect the government to abide by its constitutional limitations and thus leave a large base of taxable private property through which debts may be redeemed. But the growing size of the government debt should be of real concern to every creditor and especially to every taxpayer with any interest whatsoever in private property and personal freedom.

PAUL L. POIROT.

Department of Agriculture and Related Agencies Appropriation Bill, 1963

SPEECH

OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 24, 1962

The House in Committee of the Whole House on the State of Union had under consideration the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, some time ago we were interested in the very subject that is now being discussed. We had people from the military Defense Department, the civilian Defense Department, and the Department of Agriculture before our committee for the purpose of discussing the very subject we are now considering. And, I asked questions of each one of the witnesses what program we had developed for the civilian population in the event of a military attack. And, after very exhaustive effort on our part, we were told "Operation Grandma's Pantry." Now, that is the only program we have to protect the civilian food supply: "Grandma's Pantry." What that means I have no way of knowing, except to fill up your own pantry as grandma did in years gone by.

I take this time, Mr. Chairman, to complain in a nice way; I do not want to be mean about it, but here is an appropriation bill carrying almost \$6 billion, reported on Friday, and we start on it on Tuesday. It was only introduced on Friday the 20th of July 1962. The 3-day rule is complied with only by counting Saturday and Sunday and for all practical purposes the bill was not available until yesterday morning. Nobody has had an opportunity to study the bill. I would like to have gone over it in our committee section by section, but time did not permit us to do so. This procedure has become the standard practice of the Appropriations Committee and I

can conclude only that it is done intentionally.

Consequently, I am introducing a resolution providing for a change in the rules so as to provide that reports from the Appropriations Committee must be available to the membership 5 legislative days instead of the 3 calendar days now in the rules.

Mr. BROWN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Ohio.

Mr. BROWN. I wonder if the gentleman would amend that rule so as to provide that when the Committee on Agriculture brings in a bill dealing with sugar that has been attached to a honeybee bill over in the Senate, that the rules provide that we at least have a copy of the amendment available so the Committee on Rules may be informed as to what it contains, and even the House membership may be let in on the secret?

Mr. COOLEY. I am sure the gentleman would endorse the resolution.

Mr. BROWN. If the gentleman will amend it in that way, I might support the gentleman's resolution.

Mr. COOLEY. I agree with the gentleman. My committee as well as the gentleman's committee was handicapped by not having printed copies of the Senate amendment. We had to make our own. It is bad precedent, and I hope it does not happen again, that another distinguished legislative body takes up a honeybee bill or bumblebee bill and attaches something of great importance to it as it did the 150,000 tons of sugar.

Mr. Chairman, I am serious in offering this resolution, and I hope the Rules Committee will consider it and that it will be adopted. I am not wedded to the 5 legislative days. Perhaps it ought to be 3 legislative days. But it certainly ought to be legislative days instead of counting Saturdays and Sundays.

Mr. Chairman, I do want to complain about certain reductions made in this appropriation bill.

Beginning with the appropriation for the Department of Agriculture for the fiscal year 1962, the Appropriations Committee put Public Law 480 operations on what it calls a pay-as-you-go basis. Up to that time, operations under Public Law 480 had been carried out on the same basis as price support and other operations of the Commodity Credit Corporation, viz: Expenditures during a fiscal year were made out of the capital funds of the CCC and at the end of the fiscal year an appropriation was made to reimburse the Corporation. Beginning with 1962, however, the Appropriations Committee included in the appropriation bill items for the various operations under Public Law 480 and stated in its report that—

The amounts appropriated each year should serve as general guides in the conduct of these programs.

The bill, as reported by the committee this year, has sharply reduced the budget requests for the various types of operations under Public Law 480 and the following is a hurried analysis of the effect of this action on these programs.

TITLE I

Public Law 480, as amended by the act of August 8, 1961, authorizes the expenditure of \$4.5 billion in the 3 calendar years 1962, 1963, and 1964, for sales under title I of Public Law 480 with the provision that not to exceed \$2.5 billion may be expended in any 1 calendar year—thus taking into account the probability that there will be more opportunity for sale of commodities under this title in some years than in other years.

In its appropriation for the fiscal year 1962, the Appropriations Committee provided \$1.353 billion for title I for the fiscal year 1962. In the budget request for fiscal year 1963, the Department asked for \$1.293 billion for title I, which included \$212 million by which actual title I transactions in 1962 had exceeded the limitation set by the Committee on Appropriations in its bill.

In this bill, making appropriations for the fiscal year 1963, the committee has deducted the \$212 million from the budget request and has appropriated only \$1.08 billion for the fiscal year 1963, in spite of the fact that the legislative committee having jurisdiction over this matter and the Congress have approved an act which authorizes the commitment of up to \$2.5 billion for the fiscal year 1963.

In its report the Committee on Appropriations says:

The amounts appropriated each year should serve as general guides in conduct of these programs.

By this language the Committee on Appropriations adopts, again, the device of trying to make law by a committee report, instead of placing the provision in its bill, where it could be challenged by a point of order, and overriding the wisdom of the legislative committee and the Congress by attempting to limit operations under title I to about \$1 billion in fiscal year 1963, when the act approved by the Congress provides that operations under title I may be as large as \$2.5 billion in 1 year.

I am informed that, since the Committee on Appropriations has refused to appropriate the \$212 million by which title I operations exceeded the budget established by the Appropriations Committee last year, this amount will probably have to be subtracted from the \$1 billion authorized for these operations in fiscal year 1963, and that this will reduce the available funds below the level of the agreements which are now in negotiation and contemplated for execution during fiscal 1963.

TITLE II

The bill reduces the appropriation request of \$364 million by \$114 million to \$250 million for title II operations during fiscal year 1963. This is in contravention of the authority contained in Public Law 480 as the result of action of the legislative committee and the Congress which authorizes the expenditure of \$300 million per year for programs under this title, plus any unexpended balance up to this amount from previous years. The AID agency informs me that this reduction in the appropriation and

the implied limitation on expenditures and programs for 1963, will seriously interfere with the developing program to use American agricultural surpluses in beneficial public works programs in many parts of the world. Under these programs, public works such as roads, sewers, water systems, and so forth, are undertaken with part of the payment to the workers being in surplus agricultural commodities and the other part of the payment being made in money by the local government.

In Morocco, for example, 600 schools have been built under this type of assistance from the United States. The workers were paid partly by the local government and partly in surplus commodities made available under title II of Public Law 480.

TITLE III

Barter is the one part of the Public Law 480 program where the United States is assured of getting full value received for the surplus agricultural commodities which are exported. Under this program, materials—mostly minerals but including an increasing quantity of offshore procurement for the defense agencies—are acquired from sellers in foreign countries in exchange for surplus agricultural commodities. The law provides the criteria that the materials obtained must not be produced in adequate quantities in the United States, must be inexpensive to store, and must not deteriorate in storage and furthermore, that materials may be obtained through barter only when they have been designated by the President. This has proved to be one of the most beneficial avenues to the American people of export of agricultural commodities. Materials which have been obtained in exchange for perishable agricultural commodities are worth more today than when they were obtained. The storage costs of these materials are about \$2 million per year contracted to more than \$100 million for the agricultural commodities. Materials obtained under the barter program should be distinguished from materials which are obtained for the national stockpile. While some of the materials for the national stockpile—which was set up to provide a reserve of strategic materials in the event of war—have been obtained by barter, the basic purpose of the barter program is to dispose profitably of surplus agricultural commodities and to obtain, in return, materials, not necessarily of wartime or strategic value, but which are essential to American industry and not produced in sufficient quantity in the United States, for a permanent addition to our resources.

These go into the supplemental stockpile, which was established by the Agricultural Act of 1956. The only materials eligible for this program are those which are nondeteriorating in character, cost very little to store, and are not produced in adequate quantity in the United States. The materials involved are non-renewable natural resources. To assume that we can have too much of these essential natural resources which are not produced in adequate quantity in the United States is to assume that we could

have too much of any natural resource—such as oil, iron ore, or any other essential mineral.

The appropriation bill reduces the budget request for this program from \$343 to \$125 million, a reduction of \$218 million. I am informed that this amount is barely sufficient to provide for transfer to the supplemental stockpile during the fiscal year 1963 of materials which are already under contract by the Department of Agriculture.

In view of the legislative language in the report of the Committee on Appropriations, this bill will seriously handicap efforts to exchange surplus agricultural commodities for foreign materials of lasting values.

TITLE IV

In 1959 the Committee on Agriculture reported a bill, which was approved by the Congress and the President, authorizing the sale of agricultural surpluses for long-term dollar credit—largely as a replacement for sales for foreign currencies under title I. For 2 years there was no implementation of this title by the executive branch of the Government, but in the fall of 1961 the first such agreement was entered into. Following are the title IV agreements which have been made, to sell our agricultural surpluses for dollars instead of for foreign currencies:

	Millions
August 1961, El Salvador-----	\$2.8
November 1961, Portugal-----	21.0
March 1962, Peru-----	2.0
April 1962, Liberia-----	12.4
April 1962, Yugoslavia-----	25.5
May 1962, Venezuela-----	16.5

It is obvious that under the concerted efforts of the Department of Agriculture and the AID agency, these title IV agreements have begun to materialize in the last few months, as Congress intended. Since the first of this calendar year agreements for dollar credit sales of our surpluses under title IV have amounted to \$56.4 million.

In this appropriation bill the committee cuts the budget request for title IV from \$90 to \$40 million. This appropriation cover only the difference between the cost of the commodities, plus storage and handling charges to CCC, and the dollars which are to be received in payment for these commodities under the long-term contracts. Nevertheless, I am informed that this limitation of \$40 million on title IV in fiscal year 1963 will limit these agreements during that year to approximately \$125 million, whereas the agencies who are working on these agreements informed me that they have in prospect for the fiscal year 1963 title IV agreements totaling at least \$290 million. Most of these agreements will be contracts for the sale of our commodities for dollars, instead of for local currencies, and there could be no more shortsighted position taken by this Congress than to limit the amount and extent by which our exports of surpluses may be shifted from local currencies to dollar credits.

This action by the Appropriations Committee is also in direct contravention of the action which has been taken

by the legislative committee and by the Congress in approving in the farm bill—H.R. 12391 and S. 3225—provisions substantially liberalizing the terms of agreements under title IV, so that even more commodities may be disposed of under this title, instead of under title I.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. Would that be designed to take care of the T. & T. club?

Mr. COOLEY. What is the T. & T. club?

Mr. GROSS. Out on Thursday; back on Tuesday.

Mr. COOLEY. You mean the I.T.O.T. club? In on Tuesday, out on Thursday?

Mr. GROSS. Yes, something like that.

Mr. COOLEY. In this bill—and the chairman of the subcommittee probably has an explanation—I think they made some very drastic reductions in funds under Public Law 480 through which we are trying to dispose of these enormous surpluses which we have in our warehouses at the moment. I know, last year they overspent the budget by the sum of \$212 million. This year the appropriation bill fails to provide that \$212 million, other than to deduct it from the appropriations we would only make this year.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Last year we tried to appropriate in advance. The funds that the gentleman sees there are provided in advance. It does not restrict the basic law in any way. The subcommittee felt, however, that under the present conditions, with all the questions about the \$6-billion agricultural bill, and with all the pressure that the gentleman and the Congress has had on existing farm laws, it should hold this within line as best it could. However, may I say again that these funds, once advanced to the corporation, are available for the purposes of the corporation without restriction.

May I say the language quoted by the gentleman from North Carolina points up the problem our Committee on Appropriations has in obtaining adequate funds for agricultural programs. Believe me it takes some doing.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield further?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Let me point out this: As the gentleman further knows, if they sell these commodities for dollars, the dollars become available to meet the needs of the Corporation. We who are members of this subcommittee have a constant problem in trying to sell as

much as possible for dollars, since the dollars are not only an asset to the Treasury, but help the Corporation meet its needs. We are constantly trying to push, and I think rightly so, for the sale of these surplus commodities for dollars. But I can assure the gentleman that there is no restriction insofar as this bill is concerned.

Mr. COOLEY. But the point is this: Our committee authorized an expenditure of \$2.5 billion annually for operations under title I of Public Law 480. The net result of this bill will be to reduce that figure to \$1 billion.

Mr. WHITTEN. If the gentleman will yield further, any bartering of what they have on hand, there is nothing here that limits it. Those commodities that they have belong to CCC. They can sell them all under Public Law 480, insofar as any limitation is concerned. The money involved here will go back to the Corporation for the purpose of future investment or replacement for commodities that may be sold one way or the other.

Mr. COOLEY. Does not the gentleman agree that this appropriation bill places a restriction, a limitation, upon the activities of those prosecuting their programs under Public Law 480?

Mr. WHITTEN. If the gentlemen will yield further, none whatever. It limits what they can do by reason of the amount of dollars they have.

Mr. COOLEY. The gentleman does admit that the gentleman's committee cut this item \$212 million?

Mr. WHITTEN. I do. The committee recommended that we cut the amount of money by that amount. But I say again, any commodities CCC has on hand that are eligible for Public Law 480 can be sold under the law and there is nothing to restrict that operation.

Mr. COOLEY. Of course, our Committee on Agriculture wants to sell these commodities for dollars first, then for dollar short-term credit, and then for dollar long-term credit, and then for strategic materials and barter transactions, and then give away and sell for foreign currencies as a last resort. That is the way it should be. But our barter program has bogged down, it amounts to that, and now the dollar sales will be handicapped under this limitation.

Mr. WHITTEN. Might I say to the gentleman that there is no difference between us on this bill. Last year for the first time we tried to provide the funds for these purposes in advance. Because of the tight situation this year, we elected not to give them quite as much money in advance. But by reason of that fact, it does not keep them from carrying out every law that the gentleman has mentioned, having to do with the operation of the programs under Public Law 480.

Mr. COOLEY. I know, but they must have the money.

Mr. WHITTEN. We figured that if they can sell commodities they can get the money to carry out further loan and purchase programs. The funds were put in for future operations.

Mr. COOLEY. Then it is not the intention of the gentlemen's committee to further limit operations under the Public Law 480 program?

Mr. WHITTEN. It does not do that.

Mr. COOLEY. I am glad to have the gentleman's interpretation of his own bill, because the way I interpreted it, it seemed to me that you definitely limited operations under Public Law 480.

Mr. WHITTEN. These funds are advanced to the Corporation to help meet the Corporation's future obligations under the law. The commodities the Corporation now has can be sold under any authority it now has. Once it sells them, we would be faced thereafter with restoring the capital investment.

Mr. COOLEY. Is the committee advised as to why the barter transactions have bogged down?

Mr. WHITTEN. According to all the testimony we had before the committee it was that, what we were getting in return in these barter transactions, very few of the items were strategic, very few were needed.

Mr. COOLEY. The law does not limit it to strategic materials. It is just materials that are needed in our own economy.

Mr. WHITTEN. The testimony we had was that very few of them were really needed and that in effect the program was upsetting the normal channels of trade and really might be doing more injury than good.

(Mr. COOLEY asked and was given permission to revise and extend his remarks.)

Join Cancer Crusade—Give More To Cure More

EXTENSION OF REMARKS OF

HON. GEORGE M. WALLHAUSER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 25, 1962

Mr. WALLHAUSER. Mr. Speaker, all of us have felt the sorrow and loss of someone who has been struck down by cancer. The late Senators Robert A. Taft, Brien McMahon, and the gentleman who served us so ably for such a long time in the chair you are now occupying, Speaker Sam Rayburn, were victims of this terrible killer. Cancer will touch two out of every three American homes and will strike 45 million of our fellow citizens now living. This year alone about 275,000 Americans will die of cancer; one every 2 minutes. Yet, progress is being made in our fight against the plague of our time.

This year marks the 25th anniversary of two significant events that launched us into the battle: enactment of the National Cancer Institute Act which created the National Cancer Institute and the beginning of the American Cancer Society's first nationwide campaign of public education. By working together with complementary and supplementary programs, these two agencies—one governmental and the other composed of dedicated and conscientious volunteer citizens—have greatly reduced the cancer toll. In 1937 the cure rate was one saved out of every seven inflicted. To-

87TH CONGRESS
2^D SESSION

H. R. 12648

IN THE SENATE OF THE UNITED STATES

JULY 27 (legislative day, JULY 26), 1962

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1963; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, and home economics, to
7 control and eradicate pests and plant and animal diseases,
8 and to perform related inspection, quarantine and regulatory
9 work, and meat inspection: *Provided*, That not to exceed
10 \$75,000 of the appropriations hereunder shall be available
11 for employment pursuant to the second sentence of section
12 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as
13 amended by section 15 of the Act of August 2, 1946 (5
14 U.S.C. 55a): *Provided further*, That appropriations here-
15 under shall be available for the operation and maintenance
16 of aircraft and the purchase of not to exceed two for replace-
17 ment only: *Provided further*, That appropriations hereunder
18 shall be available pursuant to title 5, United States Code,
19 section 565a, for the construction, alteration, and repair of
20 buildings and improvements, and for acquisition of sites
21 therefor by donation, exchange, or purchase at a nominal
22 cost not to exceed \$100, but unless otherwise provided, the
23 cost of constructing any one building (except headhouses
24 connecting greenhouses) shall not exceed \$15,000, except for
25 four buildings to be constructed or improved at a cost not to

1 exceed \$30,000 each and one building to be constructed at a
2 cost not to exceed \$50,000, and the cost of altering any one
3 building during the fiscal year shall not exceed \$5,000 or 5
4 per centum of the cost of the building, whichever is greater:
5 *Provided further*, That the limitations on alterations con-
6 tained in this Act shall not apply to a total of \$100,000 for
7 conversion of animal disease and parasite research facilities
8 at Beltsville, Maryland:

9 Research: For research and demonstrations on the pro-
10 duction and utilization of agricultural products, home eco-
11 nomics, and related research and services, \$77,473,000:
12 *Provided*, That the limitations contained herein shall not
13 apply to replacement of buildings needed to carry out the
14 Act of April 24, 1948 (21 U.S.C. 113a) ;

15 Plant and animal disease and pest control: For opera-
16 tions and measures, not otherwise provided for, to control and
17 eradicate pests and plant and animal diseases and for carry-
18 ing out assigned inspection, quarantine, and regulatory activi-
19 ties, as authorized by law, including expenses pursuant to the
20 Act of February 28, 1947, as amended (21 U.S.C. 114b-c) ,
21 \$56,330,500, of which \$1,500,000 shall be apportioned for
22 use pursuant to section 3679 of the Revised Statutes, as
23 amended, for the control of outbreaks of insects and plant
24 diseases to the extent necessary to meet emergency condi-
25 tions: *Provided*, That, in addition, in emergencies which

1 threaten the livestock or poultry industries of the country,
2 the Secretary may transfer from other appropriations or
3 funds available to the agencies or corporations of the Depart-
4 ment such sums as he may deem necessary, to be available
5 only in such emergencies for the arrest and eradication of
6 foot-and-mouth disease, rinderpest, contagious pleuropneu-
7 monia, or other contagious or infectious diseases of animals,
8 or European fowl pest and similar diseases in poultry, and
9 for expenses in accordance with the Act of February 28,
10 1947, as amended, and any unexpended balances of funds
11 transferred under this head in the next preceding fiscal year
12 shall be merged with such transferred amounts;

13 Meat inspection: For carrying out the provisions of laws
14 relating to Federal inspection of meat, and meat-food prod-
15 ucts, and the applicable provisions of the laws relating to
16 process or renovated butter, \$24,711,000.

17 Special fund: To provide for additional labor to be em-
18 ployed under contracts and cooperative agreements to
19 strengthen the work at research installations in the field, not
20 more than \$1,000,000 of the amount appropriated under this
21 head for the previous fiscal year may be used by the Admin-
22 istrator of the Agricultural Research Service in departmental
23 research programs in the current fiscal year, the amount
24 so used to be transferred to and merged with the appro-

priation otherwise available under "Salaries and expenses, Research".

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104 (a), and for agricultural and forestry research authorized by section 104 (k) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704 (a) (k)), to remain available until expended, \$5,265,000: *Provided*, That this appropriation shall be available, in addition to other appropriations for these purposes, for the purchase of the foregoing currencies: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104 (a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for purchase of foreign currencies for

1 expenses of employment pursuant to the second sentence of
2 section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574),
3 as amended by section 15 of the Act of August 2, 1946 (5
4 U.S.C. 55a).

5 CONSTRUCTION OF FACILITIES

6 For construction of facilities and acquisition of the nec-
7 essary land therefor by purchase, donation or exchange,
8 \$760,000, to remain available until expended.

9 COOPERATIVE STATE EXPERIMENT

10 STATION SERVICE

11 PAYMENTS AND EXPENSES

12 For payments to agricultural experiment stations and
13 other expenses, including \$37,113,000 to carry into effect
14 the provisions of the Hatch Act, approved March 2, 1887,
15 as amended by the Act approved August 11, 1955 (7
16 U.S.C. 361a-361i), including administration by the United
17 States Department of Agriculture; \$500,000 for payments
18 authorized under section 204 (b) of the Agricultural Market-
19 ing Act of 1946 (7 U.S.C. 1623) ; \$250,000 for penalty
20 mail costs of agricultural experiment stations under section 6
21 of the Hatch Act of 1887, as amended; and \$344,000 for
22 necessary expenses of the Cooperative State Experiment
23 Station Service, including administration of payments to
24 State agricultural experiment stations, of which not more
25 than \$25,000 shall be available for employment pursuant to

1 the second sentence of section 706 (a) of the Organic Act
2 of 1944 (5 U.S.C. 574), as amended by section 15 of the
3 Act of August 2, 1946 (5 U.S.C. 55a) ; \$38,207,000.

4 EXTENSION SERVICE

5 COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

6 Payments to States and Puerto Rico: For payments for
7 cooperative agricultural extension work under the Smith-
8 Lever Act, as amended by the Act of June 26, 1953 (7
9 U.S.C. 341-348), and the Act of August 11, 1955 (7
10 U.S.C. 347a), \$59,020,000; and payments and contracts
11 for such work under section 204 (b) -205 of the Agricultural
12 Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,570,000;
13 in all, \$60,590,000: *Provided*, That funds hereby appropri-
14 ated pursuant to section 3 (c) of the Act of June 26, 1953,
15 shall not be paid to any State or Puerto Rico prior to avail-
16 ability of an equal sum from non-Federal sources for expendi-
17 ture during the current fiscal year.

18 Retirement costs for extension agents: For cost of em-
19 ployer's share of Federal retirement for cooperative exten-
20 sion employees, \$6,605,000.

21 Penalty mail: For costs of penalty mail for cooperative
22 extension agents and State extension directors, \$2,490,000.

23 Federal Extension Service: For administration of the
24 Smith-Lever Act, as amended by the Act of June 26, 1953
25 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7

1 U.S.C. 347a), and extension aspects of the Agricultural
2 Marketing Act of 1946 (7 U.S.C. 1621-1627), and to
3 coordinate and provide program leadership for the exten-
4 sion work of the Department and the several States and
5 insular possessions, \$2,464,500.

6 FARMER COOPERATIVE SERVICE

7 SALARIES AND EXPENSES

8 For necessary expenses to carry out the Act of July 2,
9 1926 (7 U.S.C. 451-457), \$657,000.

10 SOIL CONSERVATION SERVICE

11 CONSERVATION OPERATIONS

12 For necessary expenses for carrying out the provisions
13 of the Act of April 27, 1935 (16 U.S.C. 590a-590f), in-
14 cluding preparation of conservation plans and establishment
15 of measures to conserve soil and water (including farm irri-
16 gation and land drainage and such special measures as may
17 be necessary to prevent floods and the siltation of reservoirs) ;
18 operation of conservation nurseries; classification and map-
19 ping of soils; dissemination of information; purchase and
20 erection or alteration of permanent buildings; and operation
21 and maintenance of aircraft, \$90,280,000: *Provided*, That
22 the cost of any permanent building purchased, erected, or
23 as improved, exclusive of the cost of constructing a water
24 supply or sanitary system and connecting the same to any
25 such building and with the exception of buildings acquired

1 in conjunction with land being purchased for other pur-
 2 poses, shall not exceed \$2,500, except for eight buildings
 3 to be constructed or improved at a cost not to exceed \$15,000
 4 per building and except that alterations or improvements
 5 to other existing permanent buildings costing \$2,500 or more
 6 may be made in any fiscal year in an amount not to exceed
 7 \$500 per building: *Provided further*, That no part of this
 8 appropriation shall be available for the construction of any
 9 such building on land not owned by the Government:
 10 *Provided further*, That no part of this appropriation may be
 11 expended for soil and water conservation operations under
 12 the Act of April 27, 1935 (16 U.S.C. 590a-590f), in
 13 demonstration projects: *Provided further*, That not to exceed
 14 \$5,000 may be used for employment pursuant to the second
 15 sentence of section 706 (a) of the Organic Act of 1944 (5
 16 U.S.C. 574), as amended by section 15 of the Act of August
 17 2, 1946 (5 U.S.C. 55a) : *Provided further*, That qualified
 18 local engineers may be temporarily employed at per diem
 19 rates to perform the technical planning work of the service.

20 WATERSHED PROTECTION

21 For expenses necessary to conduct surveys, investiga-
 22 tions, and research and to carry out preventive measures, in-
 23 cluding, but not limited to, engineering operations, methods
 24 of cultivation, the growing of vegetation, and changes in use

1 of land, in accordance with the Watershed Protection and
2 Flood Prevention Act, approved August 4, 1954, as
3 amended (16 U.S.C. 1001-1008), and the provisions of the
4 Act of April 27, 1935 (16 U.S.C. 590a-f), to remain avail-
5 able until expended, \$60,585,000, with which shall be
6 merged the unexpended balances of funds heretofore ap-
7 propriated or transferred to the Department for watershed
8 protection purposes: *Provided*, That not to exceed \$100,000
9 may be used for employment pursuant to the second sentence
10 of section 706 (a) of the Organic Act of 1944 (5 U.S.C.
11 574), as amended by section 15 of the Act of August 2,
12 1946 (5 U.S.C. 55a) : *Provided further*, That not to exceed
13 \$3,000,000, together with the unobligated balance of funds
14 previously appropriated for loans and related expense, shall
15 be available for such purposes.

16 FLOOD PREVENTION

17 For expenses necessary, in accordance with the Flood
18 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
19 16 U.S.C. 1006a), as amended and supplemented, and in
20 accordance with the provisions of laws relating to the activi-
21 ties of the Department, to perform works of improvement,
22 including not to exceed \$100,000 for employment pursuant
23 to the second sentence of section 706 (a) of the Organic
24 Act of 1944 (5 U.S.C. 574), as amended by section 15 of
25 the Act of August 2, 1946 (5 U.S.C. 55a), to remain avail-

1 able until expended; \$25,000,000, with which shall be
2 merged the unexpended balances of funds heretofore appro-
3 priated or transferred to the Department for flood prevention
4 purposes: *Provided*, That no part of such funds shall be
5 used for the purchase of lands in the Yazoo and Little Talla-
6 hatchie watersheds without specific approval of the county
7 board of supervisors of the county in which such lands are
8 situated: *Provided further*, That not to exceed \$1,000,000,
9 together with the unobligated balance of funds previously
10 appropriated for loans and related expense, shall be available
11 for such purposes.

12 GREAT PLAINS CONSERVATION PROGRAM

13 For necessary expenses to carry into effect a program of
14 conservation in the Great Plains area, pursuant to section
15 16(b) of the Soil Conservation and Domestic Allotment
16 Act, as added by the Act of August 7, 1956 (16 U.S.C.
17 590p), \$12,000,000, to remain available until expended.

18 ECONOMIC RESEARCH SERVICE

19 SALARIES AND EXPENSES

20 For necessary expenses of the Economic Research
21 Service in conducting economic research and service relating
22 to agricultural production, marketing, and distribution, as
23 authorized by the Agricultural Marketing Act of 1946
24 (7 U.S.C. 1621-1627), and other laws, including economics
25 of marketing; analyses relating to farm prices, income and

1 population, and demand for farm products, use of resources
2 in agriculture, adjustments, costs and returns in farming,
3 and farm finance; and for analyses of supply and demand for
4 farm products in foreign countries and their effect on
5 prospects for United States exports, progress in economic
6 development and its relation to sales of farm products, assem-
7 bly and analysis of agricultural trade statistics and analysis of
8 international financial and monetary programs and policies
9 as they affect the competitive position of United States farm
10 products; \$9,410,000: *Provided*, That not less than \$350,-
11 000 of the funds contained in this appropriation shall be
12 available to continue to gather statistics and conduct a special
13 study on the price spread between the farmer and consumer:
14 *Provided further*, That not to exceed \$75,000 of the ap-
15 propriation shall be available for employment pursuant to
16 the second sentence of section 706 (a) of the Organic Act
17 of 1944 (5 U.S.C. 574), as amended by section 15 of the
18 Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*,
19 That not less than \$145,000 of the funds contained in this
20 appropriation shall be available for analysis of statistics and
21 related facts on foreign production and full and complete
22 information on methods used by other countries to move
23 farm commodities in world trade on a competitive basis.

1 STATISTICAL REPORTING SERVICE

2 SALARIES AND EXPENSES

3 For necessary expenses of the Statistical Reporting
4 Service in conducting statistical reporting and service work,
5 including crop and livestock estimates, statistical coordination
6 and improvements, and marketing surveys, as authorized by
7 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–
8 1627) and other laws, \$9,518,000: *Provided*, That no part
9 of the funds herein appropriated shall be available for any
10 expense incident to publishing estimates of apple production
11 for other than the commercial crop.

12 AGRICULTURAL MARKETING SERVICE

13 MARKETING RESEARCH AND SERVICE

14 For expenses necessary to carry on research and service
15 to improve and develop marketing and distribution relating to
16 agriculture as authorized by the Agricultural Marketing Act
17 of 1946 (7 U.S.C. 1621–1627) and other laws, including
18 the administration of marketing regulatory acts connected
19 therewith; research and development, including related cost
20 and efficiency evaluations, and services relating to agricul-
21 tural marketing and distribution, for carrying out regulatory
22 acts connected therewith, and for administration and co-
23 ordination of payments to States; and not to exceed \$25,000

1 for employment at rates not to exceed \$50 per diem,
2 except for employment in rate cases at not to exceed \$100
3 per diem, pursuant to section 706 (a) of the Organic Act
4 of 1944 (5 U.S.C. 574), as amended by section 15 of the
5 Act of August 2, 1946 (5 U.S.C. 55a), in carrying out
6 section 201 (a) to 201 (d), inclusive, of title II of the Agri-
7 cultural Adjustment Act of 1938 (7 U.S.C. 1291) and sec-
8 tion 203 (j) of the Agricultural Marketing Act of 1946,
9 \$38,857,000: *Provided*, That appropriations hereunder shall
10 be available pursuant to 5 U.S.C. 565a for the construction,
11 alteration, and repair of buildings and improvements, but
12 unless otherwise provided, the cost of erecting any one build-
13 ing shall not exceed \$15,000, except for two buildings to be
14 constructed or improved at a cost not to exceed \$30,000
15 each, and the cost of altering any one building during the
16 fiscal year shall not exceed \$5,000 or 5 per centum of the
17 cost of the building, whichever is greater.

18 PAYMENTS TO STATES AND POSSESSIONS

19 For payments to departments of agriculture, bureaus and
20 departments of markets, and similar agencies for marketing
21 activities under section 204 (b) of the Agricultural Market-
22 ing Act of 1946 (7 U.S.C. 1623 (b)), \$1,325,000.

1 SPECIAL MILK PROGRAM

2 For necessary expenses to carry out the Special Milk
3 Program, as authorized by the Act of August 8, 1961 (75
4 Stat. 319), \$105,000,000.

5 SCHOOL LUNCH PROGRAM

6 For necessary expenses to carry out the provisions of
7 the National School Lunch Act (42 U.S.C. 1751-1760),
8 \$125,000,000: *Provided*, That no part of this appropriation
9 shall be used for nonfood assistance under section 5 of said
10 Act: *Provided further*, That \$45,000,000 shall be trans-
11 ferred to this appropriation from funds available under sec-
12 tion 32 of the Act of August 24, 1935, for purchase and
13 distribution of agricultural commodities and other foods pur-
14 suant to section 6 of the National School Lunch Act: *Pro-*
15 *vided further*, That for the purpose of providing additional
16 assistance based on program participation and needs in the
17 States as may be necessary to aid in meeting the nutritional
18 and other requirements of section 9 of the Act, not to ex-
19 ceed \$10,000,000 of this appropriation shall be available
20 for commodity assistance under section 6 of the Act, in addi-
21 tion to amounts normally expended for commodity procure-
22 ment under that section, under such regulations as the Secre-
23 tary may prescribe.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 3 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$16,145,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

1 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
2 PROGRAM)

3 For purchase of foreign currencies which accrue under
4 title I of the Agricultural Trade Development and Assistance
5 Act of 1954, as amended (7 U.S.C. 1704), for market
6 development activities authorized by section 104 (a) of
7 the Agricultural Trade Development and Assistance Act of
8 1954, as amended (7 U.S.C. 1704 (a)), \$4,000,000, to re-
9 main available until expended: *Provided*, That funds appro-
10 priated herein shall be used to purchase such foreign cur-
11 rencies as the Department determines are needed and can
12 be used most effectively to carry out the purposes of this
13 paragraph, and such foreign currencies shall, pursuant to the
14 provisions of section 104 (a), be set aside for sale to the
15 Department before foreign currencies which accrue under
16 said title I are made available for other United States uses:
17 *Provided further*, That this appropriation shall be available,
18 in addition to other appropriations for these purposes, for
19 the purchase of the foregoing currencies.

1 COMMODITY EXCHANGE AUTHORITY

2 SALARIES AND EXPENSES

3 For necessary expenses to carry into effect the provisions
4 of the Commodity Exchange Act, as amended (7 U.S.C.
5 1-17a), \$1,022,000.

6 AGRICULTURAL STABILIZATION AND

7 CONSERVATION SERVICE

8 ACREAGE ALLOTMENTS AND MARKETING QUOTAS

9 For necessary expenses to formulate and carry out acre-
10 age allotment and marketing quota programs pursuant to
11 provisions of title III of the Agricultural Adjustment Act of
12 1938, as amended (7 U.S.C. 1301-1393), \$44,098,000,
13 of which not more than \$7,125,000 shall be transferred to
14 the appropriation account "Administrative expenses, section
15 392, Agricultural Adjustment Act of 1938".

16 SUGAR ACT PROGRAM

17 For necessary expenses to carry into effect the provisions
18 of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
19 \$80,000,000, to remain available until June 30 of the next
20 succeeding fiscal year: *Provided*, That expenditures (includ-
21 ing transfers) from this appropriation for other than pay-
22 ments to sugar producers shall not exceed \$2,350,000.

23 AGRICULTURAL CONSERVATION PROGRAM

24 For necessary expenses to carry into effect the program
25 authorized in sections 7 to 15, 16 (a), and 17 of the Soil

1 Conservation and Domestic Allotment Act, approved Febru-
2 ary 29, 1936, as amended (16 U.S.C. 590g-590(o),
3 590p(a), and 590q), including not to exceed \$6,000 for
4 the preparation and display of exhibits, including such dis-
5 plays at State, interstate, and international fairs within the
6 United States, \$242,000,000, to remain available until De-
7 cember 31 of the next succeeding fiscal year for compliance
8 with the programs of soil-building and soil- and water-con-
9 serving practices authorized under this head in the Depart-
10 ment of Agriculture and Related Agencies Appropriation
11 Acts, 1961 and 1962, carried out during the period July 1,
12 1960, to December 31, 1962, inclusive: *Provided*, That not
13 to exceed \$29,100,000 of the total sum provided under this
14 head shall be available during the current fiscal year for ad-
15 ministrative expenses for carrying out such program, the cost
16 of aerial photographs, however, not to be charged to such
17 limitation; but not more than \$5,750,000 shall be trans-
18 ferred to the appropriation account "Administrative expenses,
19 section 392, Agricultural Adjustment Act of 1938": *Pro-*
20 *vided further*, That none of the funds herein appropriated
21 shall be used to pay the salaries or expenses of any regional
22 information employees or any State information employees,
23 but this shall not preclude the answering of inquiries or sup-
24 plying of information at the county level to individual farm-
25 ers: *Provided further*, That, no portion of the funds for the

1 1963 program may be utilized to provide financial or techni-
2 cal assistance for drainage on wetlands now designated as
3 Wetland Types 3 (III), 4 (IV), and 5 (V) in United States
4 Department of the Interior, Fish and Wildlife Service
5 Circular 39, Wetlands of the United States, 1956:
6 *Provided further*, That such amounts shall be available
7 for administrative expenses in connection with the formula-
8 tion and administration of the 1963 program of soil-building
9 and soil- and water-conserving practices, including related
10 wildlife conserving practices, under the Act of February 29,
11 1936, as amended (amounting to \$250,000,000, including
12 administration, except that no participant shall receive more
13 than \$2,500, except where the participants from two or
14 more farms or ranches join to carry out approved practices
15 designed to conserve or improve the agricultural resources
16 of the community): *Provided further*, That not to ex-
17 ceed 5 per centum of the allocation for the 1963 agri-
18 cultural conservation program for any county may, on the
19 recommendation of such county committee and approval of
20 the State committee, be withheld and allotted to the Soil
21 Conservation Service for services of its technicians in formu-
22 lating and carrying out the agricultural conservation pro-
23 gram in the participating counties, and shall not be utilized
24 by the Soil Conservation Service for any purpose other than
25 technical and other assistance in such counties, and in addi-

tion, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the 1963 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner

1 a Member of Congress to favor or oppose any legislation
2 or appropriation by Congress except upon request of any
3 Member or through the proper official channels.

4 CONSERVATION RESERVE PROGRAM

5 For necessary expenses to carry out a conservation re-
6 serve program as authorized by subtitles B and C of the Soil
7 Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816),
8 and to carry out liquidation activities for the acreage reserve
9 program, to remain available until expended, \$300,000,000,
10 with which may be merged the unexpended balances of
11 funds heretofore appropriated for soil bank programs: *Pro-*
12 *vided*, That not to exceed \$9,875,000 shall be available for
13 administrative expenses, of which not less than \$8,000,000
14 may be transferred to the appropriation account "Local ad-
15 ministration, section 388, Agricultural Adjustment Act of
16 1938": *Provided further*, That no part of these funds shall
17 be paid on any contract which is illegal under the law due to
18 the division of lands for the purpose of evading limits on an-
19 nual payments to participants.

20 SPECIAL AGRICULTURAL CONSERVATION

21 AND ADJUSTMENT PROGRAMS

22 For necessary administrative expenses to carry into effect
23 a special agricultural conservation program pursuant to sec-
24 tion 16 (d) of the Soil Conservation and Domestic Allotment

1 Act, as added by section 132 of the Act of August 8, 1961
2 (75 Stat. 302), and a special wheat program pursuant to
3 section 124 of such Act, \$15,000,000.

4 OFFICE OF THE GENERAL COUNSEL

5 SALARIES AND EXPENSES

6 For necessary expenses, including payment of fees or
7 dues for the use of law libraries by attorneys in the field
8 service, \$3,645,000.

9 OFFICE OF INFORMATION

10 SALARIES AND EXPENSES

11 For necessary expenses of the Office of Information for
12 the dissemination of agricultural information and the coordi-
13 nation of informational work and programs authorized by
14 Congress in the Department, \$1,610,000, of which total
15 appropriation not to exceed \$537,000 may be used for
16 farmers' bulletins, which shall be adapted to the interests of
17 the people of the different sections of the country, an equal
18 proportion of four-fifths of which shall be delivered to or sent
19 out under the addressed franks furnished by the Senators,
20 Representatives, and Delegates in Congress, as they shall
21 direct (7 U.S.C. 417), and not less than two hundred
22 and thirty-three thousand and fifty copies for the use of the
23 Senate and House of Representatives of part 2 of the annual
24 report of the Secretary (known as the Yearbook of Agricul-

1 ture) as authorized by section 73 of the Act of January 12,
2 1895 (44 U.S.C. 241) : *Provided*, That in the preparation
3 of motion pictures or exhibits by the Department, not exceed-
4 ing a total of \$10,000 may be used for employment pursuant
5 to the second sentence of section 706 (a) of the Organic Act
6 of 1944 (5 U.S.C. 574), as amended by section 15 of the
7 Act of August 2, 1946 (5 U.S.C. 55a) .

8 NATIONAL AGRICULTURAL LIBRARY

9 SALARIES AND EXPENSES

10 For necessary expenses of the National Agricultural
11 Library, \$1,028,500.

12 GENERAL ADMINISTRATION

13 SALARIES AND EXPENSES

14 For necessary expenses of the Office of the Secretary of
15 Agriculture and for general administration of the Depart-
16 ment of Agriculture, including expenses of the National Agri-
17 cultural Advisory Commission; repairs and alterations; and
18 other miscellaneous supplies and expenses not otherwise pro-
19 vided for and necessary for the practical and efficient work
20 of the Department of Agriculture; \$3,506,000: *Provided*,
21 That this appropriation shall be reimbursed from applicable
22 appropriations for travel expenses incident to the holding of
23 hearings as required by the Administrative Procedures Act
24 (5 U.S.C. 1001) : *Provided further*, That not to exceed

1 \$2,500 of this amount shall be available for official reception
2 and representation expenses, not otherwise provided for, as
3 determined by the Secretary.

4 TITLE II—CREDIT AGENCIES

5 RURAL ELECTRIFICATION ADMINISTRATION

6 To carry into effect the provisions of the Rural Electri-
7 fication Act of 1936, as amended (7 U.S.C. 901-924), as
8 follows:

9 LOAN AUTHORIZATIONS

10 For loans in accordance with said Act, and for carrying
11 out the provisions of section 7 thereof, to be borrowed from
12 the Secretary of the Treasury in accordance with the provi-
13 sions of section 3 (a) of said Act, as follows: Rural electri-
14 fication program, \$400,000,000, of which \$100,000,000
15 shall be placed in reserve to be borrowed under the same
16 terms and conditions to the extent that such amount is
17 required during the fiscal year 1963 under the then existing
18 conditions for the expeditious and orderly development of the
19 rural electrification and rural telephone programs; and rural
20 telephone program, \$80,000,000.

21 SALARIES AND EXPENSES

22 For administrative expenses, including not to exceed
23 \$500 for financial and credit reports, and not to exceed
24 \$150,000 for employment pursuant to the second sentence

1 of section 706 (a) of the Organic Act of 1944 (5 U.S.C.
2 574), as amended by section 15 of the Act of August 2,
3 1946 (5 U.S.C. 55a), \$10,024,000.

4 FARMERS HOME ADMINISTRATION

5 DIRECT LOAN ACCOUNT

6 Direct loans and advances under subtitles A and B,
7 and advances under section 335 (a) for which funds are not
8 otherwise available, of the Consolidated Farmers Home Ad-
9 ministration Act of 1961 (75 Stat. 307) may be made from
10 funds available in the Farmers Home Administration direct
11 loan account as follows: real estate loans, \$50,000,000; and
12 operating loans, \$275,000,000.

13 SALARIES AND EXPENSES

14 For necessary expenses of the Farmers Home Adminis-
15 tration, not otherwise provided for, in administering the pro-
16 grams authorized by the Consolidated Farmers Home
17 Administration Act of 1961 (75 Stat. 307), title V of the
18 Housing Act of 1949, as amended (42 U.S.C. 1471-1484),
19 and the Rural Rehabilitation Corporation Trust Liquidation
20 Act, approved May 3, 1950 (40 U.S.C. 440-444); \$34,-
21 382,000, together with not more than \$1,050,000 of the
22 charges collected in connection with the insurance of loans as
23 authorized by section 309 (e) of the Consolidated Farmers
24 Home Administration Act of 1961, and section 514 (b) (3)
25 of the Housing Act of 1949, as amended.

TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$6,549,000.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$3,330,000 of administrative and operating expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To partially reimburse the Commodity Credit Corporation for net realized losses sustained during the fiscal year ending June 30, 1961, pursuant to the Act of August 17, 1961 (75 Stat. 391), \$2,278,455,000.

1 REIMBURSEMENT FOR SPECIAL MILK PROGRAM

2 To reimburse the Commodity Credit Corporation for
3 amounts advanced for the fiscal year beginning July 1, 1961,
4 for the special milk program for children pursuant to the Act
5 of July 1, 1958, as amended (7 U.S.C. 1446; 75 Stat. 147-
6 148, 319), \$105,000,000.

7 LIMITATION ON ADMINISTRATIVE EXPENSES

8 Nothing in this Act shall be so construed as to prevent
9 the Commodity Credit Corporation from carrying out any
10 activity or any program authorized by law: *Provided*, That
11 not to exceed \$47,116,000 shall be available for adminis-
12 trative expenses of the Corporation: *Provided further*, That
13 \$1,000,000 of this authorization shall be available only
14 to expand and strengthen the sales program of the Cor-
15 poration pursuant to authority contained in the Corporation's
16 charter: *Provided further*, That not less than 7 per centum
17 of this authorization shall be placed in reserve to be ap-
18 portioned pursuant to section 3679 of the Revised Statutes,
19 as amended, for use only in such amounts and at such
20 time as may become necessary to carry out program
21 operations: *Provided further*, That all necessary expenses
22 (including legal and special services performed on a contract

1 or fee basis, but not including other personal services) in
2 connection with the acquisition, operation, maintenance, im-
3 provement, or disposition of any real or personal property
4 belonging to the Corporation or in which it has an interest,
5 including expenses of collections of pledge collateral, shall
6 be considered as nonadministrative expenses for the purposes
7 hereof.

8 TITLE IV—FOREIGN ASSISTANCE PROGRAMS

9 PUBLIC LAW 480

10 For expenses during fiscal year 1963, not otherwise
11 recoverable, under the Agricultural Trade Development and
12 Assistance Act of 1954, as amended (7 U.S.C. 1701–1709,
13 1721–1724, 1731–1736), to remain available until expended,
14 as follows: (1) Sale of surplus agricultural commodities for
15 foreign currencies pursuant to title I of said Act,
16 \$1,080,632,000; (2) commodities disposed of for emergency
17 famine relief to friendly peoples pursuant to title II of said
18 Act, \$250,000,000; and (3) long-term supply contracts
19 pursuant to title IV of said Act, \$40,000,000.

20 INTERNATIONAL WHEAT AGREEMENT

21 For expenses during fiscal year 1963 under the Inter-
22 national Wheat Agreement Act of 1949, as amended (7
23 U.S.C. 1641–1642), \$81,218,000, to remain available until
24 expended.

1 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

2 For expenses during fiscal year 1963 related to strategic
3 and other materials acquired as a result of barter or exchange
4 of agricultural commodities or products and transferred to
5 the supplemental stockpile pursuant to Public Law 540,
6 Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000, to
7 remain available until expended.

8 TITLE V—RELATED AGENCIES

9 FARM CREDIT ADMINISTRATION

10 LIMITATION ON ADMINISTRATIVE EXPENSES

11 Not to exceed \$2,565,000 (from assessments collected
12 from farm credit agencies) shall be obligated during the cur-
13 rent fiscal year for administrative expenses.

14 TITLE VI—GENERAL PROVISIONS

15 SEC. 601. Within the unit limit of cost fixed by law,
16 appropriations and authorizations made for the Department
17 under this Act shall be available for the purchase, in addition
18 to those specifically provided for, of not to exceed four
19 hundred and seventy-six passenger motor vehicles, of which
20 four hundred and forty-three shall be for replacement only,
21 and for the hire of such vehicles.

22 SEC. 602. Provisions of law prohibiting or restricting the

1 employment of aliens shall not apply to employment under
2 the appropriation for the Foreign Agricultural Service.

3 SEC. 603. Funds available to the Department of Agricul-
4 ture shall be available for uniforms or allowances therefor as
5 authorized by the Act of September 1, 1954, as amended (5
6 U.S.C. 2131).

7 SEC. 604. No part of the funds appropriated by this Act
8 shall be used for the payment of any officer or employee of
9 the Department who, as such officer or employee, or on be-
10 half of the Department or any division, commission, or
11 bureau thereof, issues, or causes to be issued, any prediction,
12 oral or written, or forecast, except as to damage threatened
13 or caused by insects and pests, with respect to future prices
14 of cotton or the trend of same.

15 SEC. 605. Except to provide materials required in or
16 incident to research or experimental work where no suit-
17 able domestic product is available, no part of the funds ap-
18 propriated by this Act shall be expended in the purchase
19 of twine manufactured from commodities or materials pro-
20 duced outside of the United States.

21 SEC. 606. Not less than \$1,500,000 of the appropria-
22 tions of the Department for research and service work

1 authorized by the Acts of August 14, 1946, July 28, 1954,
2 and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42
3 U.S.C. 1891-1893), shall be available for contracting in
4 accordance with said Acts.

5 This Act may be cited as the "Department of Agricul-
6 ture and Related Agencies Appropriation Act, 1963".

Passed the House of Representatives July 25, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

JULY 27 (legislative day, JULY 26), 1962

Read twice and referred to the Committee on Appropriations

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued August 22, 1962
For actions of August 21, 1962
87th-2d, No. 148

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HIGHLIGHTS: Senate continued debate on farm bill. Senate subcommittee approved agricultural appropriation bill.

SENATE

1. FARM PROGRAM. Continued debate on H. R. 12391, the farm bill (pp. 16114-5, 16136-85). Agreed to a unanimous-consent agreement providing for a vote on passage of the bill at 2 p.m., Wed., Aug. 22 (p. 16183).

Agreed to the following amendments:

By Sen. Ellender, to repeal the feed grain price support provisions of the Agricultural Act of 1958 and provide, instead, for support of the price of corn at such level, not exceeding 90 percent of parity, as will not result in any increase in CCC stocks. This provision is to become effective with the 1964 crop. pp. 16136-7

By Sen. Hart, to provide that marketing orders for cherries may provide for any form of marketing promotion including paid advertising. p. 16137

By Sen. Ellender (for Sen. Fulbright), to authorize Farmers Home Administration loans for fish farming. p. 16137

By Sen. Young, N. Dak., to strike out a provision of the bill providing that price support for feed grains shall be made available on not to exceed the normal production of the 1963 acreage of each eligible farm based on its

average yield per acre for the 1959 and 1960 crop acreage. pp. 16140-1

By Sen. Dirksen, as modified by a substitute amendment by Sen. Ellender, to provide that, effective with the 1964 crop, the minimum sales price for corn, oats, rye, barley, and grain sorghums from CCC stocks shall be 65 per cent of parity for such commodity as of the beginning of the marketing year, plus reasonable carrying charges. pp. 16155-6

By Sen. Mundt, to provide that owners of diverted acreage shall undertake erosion control measures, in addition to insect control, weed control, etc. pp. 16156-7

By Sen. Cooper, to provide price support at 50 percent of parity for wheat in the event wheat growers reject marketing quotas in a referendum. pp. 16174-5

By Sen. Proxmire, to authorize the Secretary to make feed owned by CCC available to producers of milk, on such terms as he deems appropriate, when necessary to assure a supply of milk free of radioactive fallout contamination. pp. 16175-8

Rejected the following amendments:

By Sen. Robertson, to repeal the present provision of law providing for a national acreage allotment for wheat of not less than 55,000,000 acres. pp. 16137-8

By Sen. Mundt, 29 to 50, to provide that in the referendum on wheat the wheat farmers shall have a choice of voting for the proposed two-price system or for continuation for two years the present program for wheat. pp. 16157-62

By Sen. Tower, 17 to 55, to require the Secretary of Agriculture to submit to Congress a plan for the termination of acreage allotments and price supports within four to six years. pp. 16166-74

By Sen. Humphrey, to add a dairy program to the bill. pp. 16178-83

By a vote of 40 to 37, tabled an amendment by Sen. Keating to provide that no assistance shall be provided under title I, relating to land-use-adjustment, unless the Secretary of Agriculture determines that public facilities to be developed will be available to all persons without discrimination on account of race. pp. 16162-6

By a vote of 58 to 23, tabled a motion by Sen. Cooper to reconsider the vote by which the Ellender feed grains amendment was agreed to. pp. 16141-54

2. APPROPRIATIONS. The "Daily Digest" states that the Subcommittee of the Appropriations Committee "marked up and approved for full committee consideration with amendments H. R. 12648, fiscal 1963 appropriations for the Department of Agriculture. The full committee will consider this bill in executive session tomorrow." p. D752

3. FOREIGN TRADE. Sen. Proxmire inserted an article, "Trade Surplus Rises to \$5 Billion Rate." p. 16113

4. PERSONNEL. Sen. Lausche charged that "the Federal Government is in the process of constantly pirating employees of the State of Ohio," and criticized the proposed Federal pay raise. p. 16118

The Commerce Committee voted to report (but did not actually report) with amendment S. Con. Res. 53, favoring travel by legislative and Government employees on U. S. air flag carriers. p. D752

5. FOREIGN AID. Sen. Mansfield inserted an address by Chester Bowles on foreign aid. pp. 16119-21

6. WATER. Sen. Moss inserted an address by the Utah Commissioner of Reclamation, "Cooperation in Western Water Resource Development is a Two-Way Street." pp. 16129-32

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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Issued August 23, 1962
For actions of August 22, 1962
87th-2d, No. 149

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HIGHLIGHTS: Senate passed farm bill. Senate committee reported agricultural appropriation bill. Sen. Humphrey expressed concern over possible contamination of milk by radioactive fallout. Sen. Long, Mo., introduced and discussed bill to validate certain erroneous payments to participants in emergency wheat and feed grain program. Sen. Williams, N.J., inserted article commending advance in conservation programs.

SENATE

1. FARM PROGRAM. By a vote of 47 to 37, passed with amendments H. R. 12391, the farm bill (pp. 16211-25, 16240). Conferees were appointed (p. 16225).
2. AGRICULTURAL APPROPRIATION BILL, 1963. The Appropriations Committee reported with amendments this bill, H. R. 12648 (S. Rept. 1908) (p. 16190). Attached to this Digest is a copy of the committee report, which explains the committee actions.
3. MILK. Sen. Humphrey referred to "the tragic fact that in my State of Minnesota the public health department has had to serve notice that milk is today in danger of being contaminated by iodine 131," urged a cessation of nuclear weapons testing, and inserted his correspondence with the director of the U. S. Arms Control and Disarmament Agency concerning the situation. pp. 16194-6
4. DRUGS; MONOPOLIES. Began debate on S. 1552, to amend and supplement the anti-trust laws with respect to the manufacture and distribution of drugs (pp. 16225-32, 16236, 16241). The Judiciary Committee reported additional amendments to the bill earlier in the day (S. Rept. 1744, part 2) (p. 16189).

5. MINERALS. The Subcommittee on Minerals, Materials, and Fuels of the Interior and Insular Affairs Committee approved for full committee consideration the following bills: S. 1696, with amendment, to authorize the Secretary of the Interior to conduct a survey of federally owned lands for the purpose of locating strategic minerals; S. J. Res. 136, with amendment, to determine the susceptibility of minerals to electrometallurgical processes; H. R. 9280, to authorize the Secretary of the Interior to dispose of surface resources by negotiation, rather than by competitive bid, when in the best interests of the Government; and H. R. 10540, to exclude deposits of petrified wood from appropriation under U. S. mining laws. p. D756
6. HEALTH; VACCINATIONS. The Labor and Public Welfare Committee reported without amendment H. R. 10541, the proposed Vaccination Assistance Act of 1962 (S.Rept. 1907). p. 16190
7. FOREIGN TRADE. Sen. Morse announced he had sent each Senator an invitation to attend a briefing next Tuesday on the foreign trade bill by Peter Jones, Deputy Assistant Secretary of Commerce. p. 16193
8. FOREIGN AGRICULTURE. Sen. Proxmire inserted an article on agricultural conditions in Yugoslavia, "Yugoslavs Seek to Improve Farming Efficiency." pp. 16240-1
9. FOREIGN AID. Sen. Humphrey inserted an article discussing the research program of the Agency for International Development to aid the economic development of under-developed countries, including agricultural conditions. pp. 16197-8
Sen. Humphrey inserted a businessman's address on the responsibilities of private industry in assisting the economic development of under-developed countries, including agricultural conditions. pp. 16193-4
10. WATERSHEDS. The Public Works Committee approved the following watershed projects: Twin Caney, Kans.; Brandywine Creek, Pa. and Del.; Salado Creek, Tex.; Valley Creek, Tex.; and Sandy Creek, Pa. p. D756
11. RESEARCH. Received from Commerce a report on Scientific research grants for fiscal year 1962. p. 16190
12. DATA PROCESSING. Received from GAO a report on the review of planning for automatic data processing equipment, Wash., D. C., regional office, GSA. p. 16190
13. ROADS. Received from GAO a report on the review of apportionments of Federal-aid highway funds, Bureau of Public Roads, Department of Commerce, for fiscal years 1956-63. p. 16190

ITEMS IN APPENDIX

14. CONSERVATION; RECREATION. Extension of remarks of Sen. Williams, N. J., inserting an article describing the status of pending legislation in the conservation field, "Conservation Programs Advance." pp. A6348-9
15. WILDLIFE. Extension of remarks of Sen. Williams, N. J., inserting an article, "Wildlife's Tenure Precarious." p. A6352
16. INFORMATION. Extension of remarks of Rep. Rhodes inserting an article, "Paper Curtain," which states that "...increasingly the Government has been working to stem the availability of news and information by placing copyright restrictions on the contents of its publications and documents." p. A6352

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963

AUGUST 22, 1962.—Ordered to be printed

Mr. RUSSELL, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 12648]

The Committee on Appropriations, to whom was referred the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill as passed House (direct appropriations).....	\$5, 475, 842, 500
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Amount of decrease by Senate committee (net).....	700, 859, 500
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Amount of bill as reported to Senate.....	4, 774, 983, 000
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Amount of appropriations, 1962.....	5, 986, 789, 500
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Amount of estimates for 1963.....	6, 354, 783, 000
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The bill as reported to the Senate:

Under the appropriations for 1962.....	1, 211, 806, 500
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Under the estimates for 1963.....	1, 579, 800, 000
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GENERAL STATEMENT

The Senate committee bill is in the amount of \$4,774,983,000, a net decrease of \$700,859,500 under the House bill, and is \$1,579,800,000 under the budget estimates.

The bill includes \$1,558,462,000 for general activities and credit agencies of the Department. This amount is an increase of \$147,781,500 over 1962, an increase of \$49,473,500 over the House bill, and \$6,931,000 under the budget estimates.

REIMBURSEMENT APPROPRIATIONS TO THE COMMODITY CREDIT CORPORATION

Under titles III and IV of the bill are carried the appropriations authorized by various laws to be made to (1) reimburse the Commodity Credit Corporation for losses incurred for regular price support activities and the special milk program through fiscal 1961, and (2) reimburse the Corporation for the cost of the foreign assistance programs, including the various titles under Public Law 480, as amended; the International Wheat Agreement; and for the cost of bartered materials for the supplemental stockpile.

The amounts recommended in the budget, carried in the House bill, and recommended by the committee are shown below:

Reimbursement appropriations to the Commodity Credit Corporation, estimates and amounts recommended in bill for 1963

Item	Budget estimates, 1963	House bill, 1963	Senate committee, 1963
TITLE III—COMMODITY CREDIT CORPORATION			
Reimbursement for net realized losses.....	\$2, 489, 955, 000	\$2, 278, 455, 000	\$2, 066, 955, 000
Reimbursement for special milk program.....	105, 000, 000	105, 000, 000	95, 000, 000
Total, Commodity Credit Corporation.....	2, 594, 955, 000	2, 383, 455, 000	2, 161, 955, 000
TITLE IV—FOREIGN ASSISTANCE PROGRAMS			
Public Law 480:			
Sales for foreign currencies.....	1, 293, 000, 000	1, 080, 632, 000	700, 000, 000
Emergency famine relief.....	364, 000, 000	250, 000, 000	189, 000, 000
Long-term supply contracts.....	90, 000, 000	40, 000, 000	50, 000, 000
Total, Public Law 480.....	1, 747, 000, 000	1, 370, 632, 000	939, 000, 000
International Wheat Agreement.....	96, 868, 000	81, 218, 000	15, 650, 000
Bartered materials for supplemental stockpile.....	343, 067, 000	125, 000, 000	92, 867, 000
Total, title IV, foreign assistance programs.....	2, 186, 935, 000	1, 576, 850, 000	1, 047, 517, 000
Total (titles III and IV).....	4, 781, 890, 000	3, 960, 305, 000	3, 209, 472, 000

¹ Includes \$384,885,000 for unrecovered 1962 costs under Title IV.

THE IMPORTANCE OF AGRICULTURE TO THE NATION

It is not generally realized that the functions carried out by the Department of Agriculture have direct and widespread benefits to consumers, industry, trade, commerce, and the general public, and make a significant and substantial contribution to our Nation's

foreign policy and the economic development of emerging countries abroad. Among these activities are the meat and poultry inspection and grading programs, the school lunch and special milk programs, the food stamp and direct food distribution programs, marketing and utilization research, flood prevention, control of insects and diseases, research on human nutrition and home economics, regulation of commodity exchanges, rural housing and electrification credit, and several foreign assistance programs including the food-for-peace program.

American agriculture has been an outstanding success in its contributions to the remarkable development of our overall economy and our high standard of living. American farmers outproduce farmers in any other country of the world. While some seem to regard this production miracle primarily as a burden and problem—the fact is that it should be considered a blessing. As a direct result of the hard work and technological ingenuity of the American farmer, supported by 100 years of research and education carried out cooperatively by the States and the Department of Agriculture, Americans today enjoy a higher standard of living than any other people in the world. Furthermore, the successful performance of American agriculture—based primarily on our system of family farms—has demonstrated to the world, more than anything else our Nation has done, the superiority of our free democratic system over the way of life which the totalitarian Communist conspiracy is trying to enforce upon the world.

But while the performance of our farmers has been an outstanding success, the American farmer has not received a fair share of the fruits of his labor. The cost of the things he buys have increased while his cash receipts have barely held constant, with the result that his net income has declined drastically over the last 10 years. For example, the farmer's share of the consumer's dollar was 47 cents in 1950, as compared to 38 cents in 1962. As a result, many rural areas, including nonfarm business enterprises, have suffered a serious economic decline. If this trend is not reversed, the consequences may well lead to a depression reverberating throughout the entire economy.

The success of American agriculture in the past must not blind us to the problems now confronting the farmer and the Nation. To solve those problems, we must continue to provide adequate financing for the programs covered by this appropriation bill. These programs (1) help farmers receive a fairer share of the wealth they produce, (2) contribute to the health and well-being of consumers through research and conservation of natural resources, as well as assuring a continued supply of adequate amounts of food and fiber, and (3) make a significant contribution to the strengthening of our entire economy.

The committee believes that the funds recommended in this bill are the minimum amounts required to provide for the essential national programs and services administered by the Department of Agriculture and related agencies. The benefits of these activities are not by any means restricted to the 8 percent of our population who live on farms.

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

	RESEARCH
1962 appropriation-----	\$76, 973, 000
1963 estimate (including H. Doc. 447)-----	78, 082, 000
House bill-----	77, 473, 000
Committee recommendation-----	106, 126, 500

The committee recommends an appropriation of \$106,126,500 for research and for construction of research facilities, formerly carried as separate items in the bill. This agency conducts research investigations under three principal classifications: (a) farm research, (b) utilization research and development, and (c) nutrition and consumer use.

The amount recommended is \$28,044,500 over the budget estimate, \$28,653,500 over the House bill, and \$29,153,500 over 1962. The House committee approved a \$900,000 increase in program for staffing new facilities, for which the budget had requested \$1,009,000, but only provided \$400,000 of additional funds.

The committee concurs in the suggestion in the House Committee report that "other object" expenses be carefully controlled and curtailed wherever possible. In addition, the committee believes that the agency should carefully review its present system of allocation and control of research funds to field research stations. The committee further agrees with the statement in the House report that the general cost of research is advancing and, thus, every effort must be made to carefully scrutinize and control expenditures. As more of the research effort is devoted to basic research investigations, the acquisition and use of expensive laboratory equipment will increase.

In recent years, funds have been appropriated for the construction of new research facilities, and as such facilities are completed the committee believes they should be adequately equipped and properly staffed to carry out the research mission for which they were authorized.

The committee recommends the partial restoration of the following items, for which budget increases were requested, totaling \$431,000:

(1) A \$281,000 increase over funds carried in the House bill for the National Disease Laboratory at Ames, Iowa. The restored funds are to be directed toward accelerating research on avian leukosis.

(2) For the Cotton Insects Laboratory at State College, Miss., the committee recommends an increase of \$60,000 over the amount in the House bill to fully restore the budget request of \$100,000.

(3) For the two Grain Insect Laboratories, the committee recommends restoration of \$90,000 to partially restore the budget request. With the amounts provided herein, an increase of \$75,000 is provided over 1962 for each of the two laboratories dealing with grain insect problems.

ADDITIONAL RESEARCH RECOMMENDATION

In addition, the committee has carefully considered a number of proposals made to it to accelerate and intensify research investigations. These increases amount to \$892,500, and are listed below:

(1) \$100,000 to overcome the cause of varietal decline affecting production in the three major sugarcane-producing areas;

- (2) \$100,000 to accelerate sugarbeet research;
 - (3) \$50,000 to initiate research on basic physiology involving mineral nutrition, starch synthesis, and oil synthesis; and for research on basic problems of quantitative and statistical genetics, and research to meet needs of the future on corn;
 - (4) \$25,000 to strengthen research on dried peas and lentils;
 - (5) \$75,000 to accelerate the horticultural research program at the Cheyenne Horticulture Field Station;
 - (6) \$25,000 to strengthen research on bee culture at Laramie, Wyo;
 - (7) \$100,000 to accelerate the research program to develop mechanical harvesting aids for citrus;
 - (8) \$100,000 to expand citrus breeding research;
 - (9) \$60,000 to purchase equipment and to provide for some initial staffing of the poultry disease laboratory for the Southeast;
 - (10) \$65,000 for staffing of the Ithaca, N.Y., soil and water facility;
 - (11) \$40,000 to accelerate watershed hydrology research at Chickasha, Okla.;
 - (12) \$12,500 to purchase equipment and for additional staffing for the Madison, S. Dak., soil and water research station;
 - (13) \$15,000 for initial staffing of the new soil and water research facility at Twin Falls, Idaho;
 - (14) \$100,000 to intensify research on soybean breeding;
 - (15) The committee has given consideration to the long-range needs for an accelerated nutrition and consumer research program and \$25,000 is included in the bill to enable the Department to make a thorough study of nutritional research programs conducted in the Department in cooperation with the States and by private industry. The committee recommends that after careful evaluation of present work and future requirements the Department submit a report on this which will embody long-range needs projected over a 3-year period development program.
- Plans have been submitted to the committee for a basic research program dealing with chemical, biochemical, genetic, and related studies having to do with modification of species and involving such areas as genetic studies of crop quality characteristics. This appears to be very complex subject matter, and the Department is expected to analyze this proposal and report on its merits and the need for such research in connection with the hearings next year.
- (16) The bill provides a limitation of \$50,000, to be used for replacement of a naval stores laboratory at Olustee, Fla., which was destroyed by fire in 1960.

CONSTRUCTION OF FACILITIES

The committee has consolidated under "research" in the bill the item "Construction of facilities." Under the accelerated utilization research program, there may be required considerable sums for improving and constructing additional facilities and increasing utilization research capacities of the agency. Language has been inserted in the bill to provide that funds for research facilities will remain available until expended. The bill continues provisions which have been in effect for a number of years, limiting the amounts which may be expended for constructing and renovating minor facilities at research locations.

The budget request proposed an addition to the poultry research facilities at East Lansing, Mich., in the amount of \$735,000. The House bill carried \$450,000 for this purpose and, after careful consideration by the committee, it has denied any of the money requested for this purpose.

Recently, the National Disease Laboratory at Ames, Iowa, was completed and equipped with isolation and other modern features, making it adaptable to an intensified research program including an accelerated program on avian leukosis. Appropriations required for the Ames, Iowa, facility totaled \$18,250,000, of which approximately an estimated \$250,000 still remains available for immediate use on any structural modifications necessary to accelerate the avian leukosis research program at that facility. Additional funds can be provided if necessary.

The committee directs that the current poultry research work at East Lansing, Mich., be phased out as rapidly as possible and re-directed to the Ames, Iowa, laboratory and other new poultry laboratories now under construction.

The committee further directs that the research on air sac diseases of poultry presently done at the Ames, Iowa, laboratory be reprogrammed for the other new facilities at the earliest possible date. By taking this action, the committee believes the Department will be able to intensify its research program on avian leukosis within a relatively short period of time, and to achieve better coordination and supervision of its entire poultry research program.

The budget requested a \$400,000 increase for renovation of facilities at the Agricultural Research Center. The House bill carried \$160,000 for this purpose, and the Senate committee recommends a similar amount. This is \$240,000 under the budget estimate.

The committee also restored the budget estimate of \$395,000, denied by the House, for the construction of a Soil and Water Research Center at Sidney, Mont.

An increase of \$400,000 over the House bill and the budget estimate is provided for the modernization and construction of needed facilities at the Soil and Water Research Station at Mandan, N. Dak.

An increase of \$125,000 is recommended for the Southern Piedmont Soil and Water Research Laboratory to provide for chemical and related analyses work essential to investigations underway. The recommended increase will place this laboratory on the same scale as the other three laboratories authorized in the Appropriation Act, 1958.

An increase of \$585,000 is provided to construct adequate research facilities at Tucson, Ariz., for basic research related to crops and entomological investigations.

An increase of \$500,000 is provided to construct modern facilities and to accelerate research at the Regional Tree Fruit and Nut Crops Station for the southeast.

An increase of \$165,000 is recommended to construct additional facilities at the small fruit research station at Carbondale, Ill.

UTILIZATION RESEARCH AND DEVELOPMENT PROGRAM

The story of American agriculture is one of the outstanding success stories of modern times. But the success is marred by the channeling



of much of our agricultural production into Government storage or into disposal abroad at an economic loss to the Nation. To meet this problem, various farm programs have been enacted into law over the years, costing us, during the last 10 years, over \$26.2 billion, and the Department has on hand, as of now, an inventory of \$4,286,507,000. The Senate has just passed another farm bill dealing with this problem. Many unexploited opportunities presently exist for utilizing our surplus production through research and development of new uses for these commodities.

The Agricultural Research Service has been conducting for many years a program of utilization research and development to find new food, feed, and industrial uses for farm products. This research, though limited, has been very successful in providing additional markets for commodities that otherwise would have further contributed to the expensive Government storage and disposal programs.

The need to expand utilization research to find new and improved uses and markets, particularly industrial uses and markets for agricultural commodities and products, is increasingly evident. In the supplement to the Senate hearings on this bill the following statement appears on page 21, and points out, as follows:

In its two decades of operation, USDA utilization research and development has added over \$2.5 billion of value to farm commodities at a cost of less than \$200 million—representing a benefit-to-cost ratio of 15 to 1. Although there has been an increasing cost per man-year of research throughout this period, this continuing program of fundamental research and applied technology has resulted in spiraling advantages, with each succeeding year giving more return per year for the total expenditure. For example, during the past 5 years utilization research enhanced agricultural commodities \$1.75 billion, which is 70 percent of the total gain made in the two decades of this program. This increasing rate of return is expected to continue, as the storehouse of scientific and technologic information is accumulated.

The committee believes it is clearly evident that an all-out effort should be made to greatly expand and accelerate potential uses for agricultural commodities. Present expenditures of about \$18,573,000 annually by the agency are infinitesimal in view of these vast expenditures to acquire, store, handle, and dispose of these surpluses.

The committee has recommended an increase of \$25 million for the initiation of a concerted research program to develop new uses for agricultural commodities. This \$25 million is to be allocated with considerable discretion by the Secretary of Agriculture for the purpose of accelerating utilization research through agreements and contracts with private organizations and firms and to improve, construct, and staff such research facilities; as well as to take such other steps as may be necessary to carry out a greatly accelerated research program.

In the last 10 years, Federal expenditures for surplus commodities have kept mounting as productivity on farms has increased. Every effort has been made to export and to practically give away these commodities. It appears that these large surpluses will continue to be with us for some time, and the committee believes that one solution to this problem—and it involves a very small expenditure of funds in

comparison with the costs of all of these programs—is to embark upon an accelerated all-out utilization research program. The committee recommends, without any earmarking of funds, that in this accelerated research program attention be given to the desert grapefruit and grapefruit products, to grapes, and any acceleration needed on flax and flaxseed. The committee expects the Department to keep it informed periodically on plans and progress made under the accelerated utilization research program.

PLANT AND ANIMAL DISEASE AND PEST CONTROL

1962 appropriation.....	\$58, 080, 500
1963 estimate.....	58, 902, 500
House bill.....	56, 330, 500
Committee recommendation.....	59, 180, 500

The committee recommends an appropriation of \$59,180,500, an increase of \$2,850,000 over the House bill and \$278,000 over the budget request. The committee recommends a total of \$300,000 for inspection at ports of entry, an increase of \$150,000 over the House bill. The committee recommends \$3 million for hog cholera eradication, an increase of \$2,250,000 over the House bill and the full amount requested in the budget.

A partial restoration of the budget request of \$50,000 for acceleration of pesticide regulation activities. This restoration and the House increase of \$100,000 provides \$150,000 over 1962. The committee has provided an increase of \$250,000 for acceleration of the sheep scabies program, to be fully matched by State or local sources. The committee has provided \$150,000 as proposed in the budget and approved by the House under the item "Construction of facilities" for the construction of animal disease inspection stations along the Canadian border.

The committee heard considerable testimony in regard to the cooperative fire ant eradication program, and has continued this item in the bill. This program is financed by Federal, State, and local cooperation and is not forced on any State or upon the local people therein. There is no program in any State unless the appropriate State officials request it and full-cost matching of eradication costs is provided in the agreement reached between the agency and State officials.

The Second Supplemental Appropriation Act, 1962, Public Law 87-545, carried \$2,750,000 for the Federal share of the screwworm eradication program in the Southwest for fiscal 1963. Funds are also available as required to continue quarantine and inspection in the Southeast, from which area the screwworm was eradicated a few years ago.

The committee has continued in the bill a provision requiring a minimum of 40-percent matching by any State in connection with the brucellosis eradication program. Within the funds provided, the committee requests that attention be given to the tick eradication program in Arkansas.

MEAT INSPECTION

1962 appropriation.....	\$24, 211, 000
1963 estimate.....	25, 241, 000
House bill.....	24, 711, 000
Committee recommendation.....	25, 211, 000

The committee recommends an appropriation of \$25,211,000, an increase of \$500,000 over the amount in the House bill and \$1 million over the amount appropriated for 1962, and \$30,000 under the budget request. The amount provided includes radiological studies proposed in the budget request. The committee agrees with the statement in the House committee report that there appears to be a duplication and overinspection of meat-food products, and concurs in the recommendation that the Department review this matter very carefully. The committee has provided the full increase of \$1 million over 1962 to provide inspection at the increased number of packing plants.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

1962 appropriation.....	\$5, 265, 000
1963 estimate.....	5, 265, 000
House bill.....	5, 265, 000
Committee recommendation.....	5, 265, 000

The committee recommends an appropriation of \$5,265,000 for the oversea research program under authority of sections 104(a) and 104(k) of Public Law 480. The amount authorized for purchase of foreign currencies is the same amount as provided in fiscal 1962 and as carried in the House bill.

COOPERATIVE STATE EXPERIMENT STATION SERVICE

PAYMENTS AND EXPENSES, INCLUDING PENALTY MAIL AND ADMINISTRATIVE EXPENSES

1962 appropriation.....	\$36, 207, 000
1963 estimate.....	38, 207, 000
House bill.....	38, 207, 000
Committee recommendation.....	38, 207, 000

The committee recommends a total appropriation of \$38,207,000 for payments and expenses to State experiment stations. This amount includes \$250,000 for penalty mail costs and \$344,000 for Federal administration of the program. The amount provided is a \$2,000,000 increase over 1962, requested in the budget, and carried in the House for the payments to the States under regular formula.

EXTENSION SERVICE

PAYMENTS TO STATES AND PUERTO RICO

1962 appropriation.....	\$59, 590, 000
1963 estimate.....	60, 590, 000
House bill.....	60, 590, 000
Committee recommendation.....	63, 590, 000

The committee recommends an appropriation for payments to States of \$63,590,000. This is an increase of \$3,000,000 over the budget request and the House bill, and \$4,000,000 over the amount made available in 1962. The committee believes that this increase should be directed to salary adjustments in the county offices as required.

RETIREMENT COSTS FOR EXTENSION AGENTS

1962 appropriation.....	\$6, 260, 000
1963 estimate.....	6, 605, 000
House bill.....	6, 605, 000
Committee recommendation.....	7, 105, 000

The committee recommends an appropriation of \$7,105,000 for retirement costs of county agents. The amount recommended is \$500,000 over the amount provided in the House bill and the estimate, and \$845,000 over the amount provided for 1962.

PENALTY MAIL

1962 appropriation.....	\$2, 490, 000
1963 estimate.....	2, 490, 000
House bill.....	2, 490, 000
Committee recommendation.....	2, 490, 000

For penalty mail costs authorized by law, the committee recommends an appropriation of \$2,490,000, the amount of the estimate and in the House bill. This is the same amount as provided last year.

FEDERAL EXTENSION SERVICE

1962 appropriation.....	\$2, 464, 500
1963 estimate.....	2, 724, 500
House bill.....	2, 464, 500
Committee recommendation.....	2, 724, 500

The committee recommends an appropriation for the Federal Extension Service of \$2,724,500. This is the amount requested in the budget and denied by the House, and is an increase of \$260,000 over last year.

FARMER COOPERATIVE SERVICE

1962 appropriation.....	\$657, 000
1963 estimate.....	757, 000
House bill.....	657, 000
Committee recommendation.....	707, 000

The committee recommends an appropriation of \$707,000 for administration of the work carried out by the Farmer Cooperative Service. The recommended amount is \$50,000 over the amount carried in the House bill and \$50,000 under the increase requested in the budget for 1963.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

1962 appropriation.....	\$89, 636, 000
1963 estimate.....	90, 725, 000
House bill.....	90, 280, 000
Committee recommendation.....	90, 825, 000

The committee recommends an appropriation of \$90,825,000 for conservation operations conducted by the Soil Conservation Service. The amount recommended includes \$1,089,000, the full amount of the increase requested in the budget over 1962. The committee recommends that the Administrator of the agency utilize the amount of increase over 1962 as he determines is most essential to meet program operating objectives.

The committee has included \$100,000 to modernize and provide additional operating funds for the plant materials center at Tucson, Ariz., and at Americus, Ga., and for operating expenses for the plant materials center at Kahului, Maui, Hawaii. The amount recommended by the committee is \$100,000 over the budget estimate and \$545,000 over the amount carried in the House bill.

WATERSHED PROTECTION

1962 appropriation.....	\$53, 746, 000
1963 estimate (including H. Doc. 447).....	60, 585, 000
House bill.....	60, 585, 000
Committee recommendation.....	60, 585, 000

The committee has approved an appropriation of \$60,585,000 for the watershed protection program. This is an increase of \$6,839,000 over 1962 and is the amount requested in the budget estimate and provided in the House bill. The principal increase over 1962 is for installation of works of improvement in the Public Law 566 watersheds. The committee has provided \$5.5 million for plans and surveys in connection with watershed and basin investigations. This is the amount carried in 1962 and is believed adequate for these purposes.

FLOOD PREVENTION

1962 appropriation.....	\$24, 999, 000
1963 estimate.....	24, 000, 000
House bill.....	25, 000, 000
Committee recommendation.....	24, 000, 000

For the expenses of flood prevention work in the 11 authorized watersheds, an appropriation of \$24,000,000 is recommended. This is the amount of the estimate and \$1,000,000 under the House bill. The budget request had proposed a decrease of \$3,632,210 in the installation of works of improvement in these watersheds.

GREAT PLAINS CONSERVATION PROGRAM

1962 appropriation.....	\$10, 167, 000
1963 estimate.....	13, 000, 000
House bill.....	12, 000, 000
Committee recommendation.....	12, 500, 000

The committee recommends an appropriation of \$12,500,000 for Great Plains conservation program. This is \$500,000 under the amount proposed in the budget, and an increase of \$500,000 over the House bill and an increase of \$2,333,000 over the amount provided for 1962. The increase in appropriation is provided to accelerate the installation of protective measures under the cost-sharing contracts entered into with farmers and ranchers under this program.

ECONOMIC RESEARCH SERVICE

SALARIES AND EXPENSES

1962 appropriation.....	\$9, 410, 000
1963 estimate.....	10, 440, 000
House bill.....	9, 410, 000
Committee recommendation.....	9, 910, 000

The committee recommends an appropriation of \$9,910,000 for the Economic Research Service. The budget proposed an increase of \$1,030,000 which was denied by the House, and this committee has made a partial restoration of \$500,000.

The committee looks with favor upon the need for expanding studies on the economics of farm size and numbers under various conditions, and on the need to expand domestic agricultural, economic, and statistical commodity and outlook reporting. The balance of the increase provided should be left to the discretion of the Administrator to allocate for the most pressing and important studies and investigations.

STATISTICAL REPORTING SERVICE

SALARIES AND EXPENSES

1962 appropriation.....	\$8, 758, 000
1963 estimate.....	9, 693, 000
House bill.....	9, 518, 000
Committee recommendation.....	9, 693, 000

The committee recommends an appropriation of \$9,693,000 for the programs and activities carried out by the Statistical Reporting Service. This agency was established April 3, 1961, by Secretary's Memorandum No. 1446, for the purpose of giving better central coordination and leadership to the statistical reporting research and service program activities of the Department. Its principal functions are to gather agricultural statistics and report on production of crops and livestock and related matters, as well as to conduct studies regarding the methods of improving statistical techniques and services for the Department.

The committee recommends the amount of the budget request, an increase of \$175,000 over the amount carried in the House bill, and an increase of \$935,000 over 1962.

The committee has restored the amount of \$760,000 as proposed in the budget request, for extension for the third year of the long-range program on crop and livestock estimates. This program was accelerated, beginning in fiscal year 1961, and again in 1962, by increases over the amount requested in the budget, and the Department was urged to make the program effective nationwide at the earliest date possible.

The House committee report for fiscal 1963 again directed the Department to continue the long-range improvement of crop and livestock estimates, but at the same time directed the Department to divert an estimated \$300,000 of the \$760,000 increase requested to institute a new permanent estimates program, described as "the establishment of quarterly pig crop reports in the Midwest." The Department reports to the committee that if it complies with the House committee report, it would delay the long-range crop and livestock improvement program about 1 year, since to comply with the House committee request would preclude the Department from instituting developmental crop estimates on a pilot basis for fiscal year 1963 in the following 11 Western States: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

In addition, the House committee report would preclude a proposed estimate on wheat acreage on the new basis for the entire United States.

This committee does not concur in the proposal of the House committee report to further delay completion of the long-range estimates improvement program, nor does it concur in the practice of starting new permanent programs of such magnitude as the pig crop reports unless funds are included and until the need and merits of such proposals have been considered by both committees in a regular submission by the Department.

The committee has restored the budget estimate of \$175,000, denied by the House, to conduct research on basic improvements in statistical techniques and methods required as a part of the long-range improvement program previously mentioned on crop and livestock estimates.

This committee has considered a number of proposals to provide increased funds for the Statistical Reporting Service, to accelerate the estimates on vegetable crops, and on cane berry crops, and to further extend livestock reports on a quarterly and monthly basis. These proposals appear to the committee to be justified, and if instituted would call for an additional appropriation of at least \$560,000. In addition, both committees have received the report from the Department on the practicability and feasibility of a timber price reporting service requested last year. This service, if inaugurated, would cost approximately \$300,000 annually. Heretofore, the committee has added funds to the bill for accelerating projects of this nature. It believes that these additional programs have considerable merit, and requests the Secretary of Agriculture to make a careful review of the needs and priorities for additional estimates on livestock and crops to meet changing requirements for such information by growers and other interested persons. Such review should include, but not be limited to quarterly estimates on pig crop reports, cattle on feed reports, lamb on feed reports, vegetable crops, cane berry crops, and timber price reporting service. The committee expects that the relative need, priority, and cost of such services shall be reported next year in connection with the budget request for this agency. Additionally, the committee requests a detailed report as to cost sharing and cooperation received from States and private sources in connection with these and other crop and livestock reporting estimates and services in connection with the 1964 budget presentation.

AGRICULTURAL MARKETING SERVICE

MARKETING RESEARCH AND SERVICE

1962 appropriation-----	\$38, 269, 500
1963 estimate-----	40, 485, 000
House bill-----	38, 857, 000
Committee recommendation-----	40, 107, 000

The committee recommends an appropriation of \$40,107,000 for carrying out marketing research and service activities administered by the Agricultural Marketing Service. This is an increase of \$1,837,-500 over the 1962 level and is under the budget estimates by \$378,000, and over the amount provided in the House bill by \$1,250,000.

The partial restoration of \$1,250,000 by the committee includes the full amount requested in the budget for mandatory poultry inspection. The amount provided in the bill does not include the initiation of a market study in Chicago as proposed in the House committee report. Within the amount provided in the bill, it is expected that Federal State cooperative marketing news reporting service will be initiated at Yuma, Ariz., and that the livestock market news reporting service will be initiated to serve West Fargo, N. Dak. The West Fargo market has been classified as category I and will serve a considerable area.

The committee recognizes the savings to producers which can be made through transporting grain in larger boxcars and even in covered gondola cars. It recognizes, however, the difficulty in securing adequate and representative grain samples from these cars. The development of an improved sampling technique is essential to the extensive use of improved grain transportation facilities. The committee recommends that, within the funds provided for fiscal year 1963, some effort be devoted to testing various grain sampling devices.

The committee believes that the proposed changes in the regulation which would require a written authorization for market agencies or packers to make deductions from livestock sales, the proceeds of which are collected and used for the promotion of meat products, may impose an undue burden upon the sellers and dealers in livestock. The Secretary of Agriculture is requested to withhold issuance of the proposed enforcement in the regulations until this matter has been discussed in the regular hearings before the subcommittee next year. In the interim, every effort should be made by the Department to reach a mutually satisfactory agreement with regard to the procedures affecting such voluntary programs.

EMERGENCY FOOD RESERVES AND CIVIL DEFENSE ACTIVITIES

The committee has given careful consideration to the proposed emergency food reserves program submitted in House Document 447, and concurs in the view expressed in the House committee report that such a program should not be financed as proposed, by use of section 32 permanent authorization. Such a program, if undertaken, should be submitted as a regular budget proposal and the appropriations therefor be considered and acted upon in the regular manner.

The committee concurs in the action taken by the House to deny the budget requests for acceleration of civil defense emergency planning. These requests total \$755,000, and it is understood that at least this amount will be made available by transfer of funds appropriated Government-wide for this purpose and carried in the independent offices appropriation bill.

CONSTRUCTION OF FACILITIES

The committee has inserted language in the bill for the construction of a peanut marketing research facility. The committee recommendation for this is \$1,600,000, as proposed in the budget, but omitted from the House bill.

In justifying the facility before both Committees on Appropriations, the Department emphasized that the proposed marketing research facility would carry out the work as outlined in the Senate hearings on the agricultural appropriation bill, 1962. These research objectives of the Department appear to be consistent with the recommendations which had been previously made to it by the Oil Seeds and Peanut Advisory Committee in 1960 and 1961.

Last year the Department was directed to make a thorough review of research program activities. The results of these studies were never formally issued and made available to the committee, but during the course of hearings, representatives of organizations cited a few of the recommendations made in regard to research affecting peanuts. The committee asked the Department to comment on these recommendations and was advised that—

it is the plan of the Department to carry out the laboratory construction and the marketing research program outlined in the 1962 hearings of the Senate Appropriations Subcommittee on Agriculture and as justified in the 1963 hearings before both the Senate and the House Appropriations Subcommittees on Agriculture.

It is evident from the foregoing statement that the contemplated program is limited to marketing and quality investigations and does not encompass production and utilization research studies or any major changes in research affecting peanuts.

The Peanut Research Center is needed where the factors that affect peanut quality and end-use value can be studied, so that efficient, economical methods can be developed to handle, store, process, and market the crop and increase consumption.

The facility should not displace any research by the U.S. Department of Agriculture, State agencies, or industry, but should encourage these agencies to use the Research Center to measure the effects of any and all developments in the field of basic or applied research as it relates to production, marketing, or utilization of peanuts or peanut products.

The Department advises the committee that over one-half of the current research activity on peanuts is devoted to production problems.

Some opposition also appears to stem from the site selected by the Department for a central peanut marketing research facility. The proposed site at Dawson, Ga., announced by the Department, is centrally located in one of the three principal peanut-producing areas and in the one which annually produces approximately one-half of the peanut crop.

In recommending the appropriation to construct this facility, the committee reaffirms the original purpose and scope of research approved last year when funds were appropriated for the development of plans and specifications for the facility.

It should be pointed out that the small community of Dawson has purchased and deeded to the Government 15 acres of land as a site for the laboratory and has incurred considerable expenditure for water, sewage, and electricity on the site.

PAYMENTS TO STATES AND POSSESSIONS

1962 appropriation.....	\$1, 325, 000
1963 estimate.....	1, 325, 000
House bill.....	1, 325, 000
Committee recommendation.....	1, 425, 000

An appropriation of \$1,425,000 is recommended for the marketing Service activities carried on under this item on a matching basis. The amount recommended is \$100,000 over the estimate, the House bill, and the amount provided last year.

The committee has not sought to earmark this increase but believes that consideration should be given to accelerating projects in States such as Florida where increases are desirable over the basic increment.

SPECIAL MILK PROGRAM

1962 appropriation.....	
1963 estimate.....	\$105, 000, 000
House bill.....	105, 000, 000
Committee recommendation.....	105, 000, 000

An appropriation of \$105,000,000 is recommended for the special milk program which was placed on a direct appropriation basis by the Agricultural Act of 1961; Public Law 87-128. In the past the costs of this program have been reimbursed as a part of the annual restoration to the Commodity Credit Corporation. The amount proposed is the same as proposed in the budget request and carried in the House bill.

SCHOOL LUNCH PROGRAM

1962 appropriation.....	\$125, 000, 000
1963 estimate.....	125, 000, 000
House bill.....	125, 000, 000
Committee recommendation.....	125, 000, 000

The committee recommends an appropriation of \$125,000,000 for the school lunch program. This is the same amount as provided in 1962, as requested in the 1963 budget estimate, and carried in the House bill. In addition, there is authorization in the bill to use \$45,000,000 of section 32 funds for food purchases pursuant to section 6 of the National School Lunch Act.

The committee has stricken from the bill language proposed which would use not to exceed \$10,000,000 of this appropriation for special assistance needs in States without regard to sections 4 and 10 of the School Lunch Act. The committee is sympathetic with the objective of providing for needy schools, but does not believe it feasible to undertake such a program with school lunch funds. The action taken by the committee will provide \$10,000,000 additional for apportionment under the formula. The committee recommends that State and local officials who have responsibility within the States for the allocation of funds and the distribution of foods give attention to special needs within their respective States.

USE OF SECTION 32 FUNDS

The committee has expressed its concern to officials of the present and the prior administration about the unwarranted use of funds authorized under the section 32 permanent authorization for general

program and administrative purposes unless such use is specifically authorized in an appropriation act.

The committee directs that, beginning with the next fiscal year, the Department submit regular budgetary estimates for consideration by the Committees on Appropriations and the approval by Congress of the funds necessary for carrying out programs heretofore financed from section 32, except for the administrative costs directly related to surplus commodity removal programs in line with the original intent of section 32.

The committee further recommends that, beginning with fiscal year 1964, the program costs of the food stamp plan also be justified and appropriated for in the regular manner. //

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

1962 appropriation-----	\$13, 045, 000
1963 estimate-----	21, 841, 000
House bill-----	16, 145, 000
Committee recommendation-----	16, 895, 000

The committee recommends an appropriation of \$16,895,000. This partial restoration of \$750,000 is recommended for expanding and extending market development projects in the dollar market areas. The total amount of increase recommended for this purpose, including the amount carried in the House bill, is \$3,750,000.

The committee expects the Department to make full use of the legislation enacted last year which provides for converting 2 percent of the amounts of agreements for use under section 104(a) for market development projects.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

1962 appropriation-----	\$2, 856, 000
1963 estimate-----	4, 000, 000
House bill-----	4, 000, 000
Committee recommendation-----	4, 000, 000

The committee recommends an appropriation of \$4,000,000 for purchase of foreign currencies for market development activities abroad. This is the amount requested in the estimate, and carried in the House bill, and is \$1,144,000 over last year.

Under provisions of section 104(a) of Public Law 480, as amended, the first priority on currencies generated under that act is to be set aside for needs of the Department. The committee has inserted language in the bill in lieu of the language contained in the estimate and carried in the House bill to enable the agency to acquire available currencies needed for effective operation of market development programs.

COMMODITY EXCHANGE AUTHORITY

1962 appropriation-----	\$1, 007, 000
1963 estimate-----	1, 022, 000
House bill-----	1, 022, 000
Committee recommendation-----	1, 022, 000

The committee recommends the full budget estimate of \$1,022,000, an increase of \$15,000 over 1962, and the amount in the budget estimate and House bill.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

The committee has established a consolidated appropriation account for expenses of administering agricultural stabilization and adjustment programs. A direct appropriation of \$95,423,000 is recommended for the administrative expenses in connection with farm programs administered through State and county committees. For some time the committee has been concerned about the appropriation procedures which required appropriations or limitations within appropriations to finance the operation of various farm programs. A consolidated appropriation will simplify budgetary and accounting requirements and recordkeeping. In addition, the appropriations made for program payments will be limited to that purpose.

The total amount recommended in the consolidated appropriation for administrative expenses is \$5,000,000 under the appropriations and expense limitations carried in the House bill and is \$9,012,000 under the budget estimates.

The funds appropriated in this new account will be available to administer the following programs: Acreage allotment and marketing quota programs, the Sugar Act program, agricultural conservation program, the conservation reserve program, and the special agricultural conservation and adjustment programs.

The committee believes that the amount provided will be adequate, and serve as a further incentive to the agency to streamline procedural requirements and to curtail nonessential travel and other controllable administrative expenses under these well established programs. The committee has not sought to earmark the reductions made under the budget requests but suggests that \$7,000,000 appears to be an adequate sum to administer the routine requirements under the conservation reserve program. The committee believes that in some areas of the country the travel, per diem, and related expenses for county offices and the use of committeemen have been excessive. The use of county committeemen should generally be limited to advisory functions, explanation of program changes, and to the general oversight of county office operations. Their use in visiting individual farms and in the administration of county office program activities should not be continued.

The committee has inserted language in the bill placing a limitation on the amount of transfer and use of corporate funds available to departmental employees, State and county committees for carrying out storage and price support activities, of which \$3,927,500 was carried in the budget request and the House bill under "Limitation on administrative expenses." The full budget estimate of \$51,379,500 is made available under this language proviso.

SUGAR ACT PROGRAM

1962 appropriation.....	\$78, 000, 000
1963 estimate.....	80, 000, 000
House bill.....	80, 000, 000
Committee recommendation.....	77, 650, 000

The committee recommends an appropriation of \$77,650,000 for mandatory payments to domestic producers under the Sugar Act

program. The recommended amount provides an increase of \$2,000,000 over 1962 for payments. The decrease of \$2,350,000 under the House bill and the estimate reflects the transfer of administrative expenses for this program to the direct appropriation under the consolidated head for administrative expenses, and does not decrease the total amount available for program payments.

AGRICULTURAL CONSERVATION PROGRAM

1962 appropriation.....	\$238, 000, 000
1963 estimate.....	244, 500, 000
House bill.....	242, 000, 000
Committee recommendation.....	212, 900, 000

For the payments earned under the 1962 program authorization, the committee recommends an appropriation of \$212,900,000. This is \$29,100,000 under the House bill. This decrease is due to the establishment of a consolidated account for this and other programs administered by the Agricultural Stabilization and Conservation Service. The committee has stricken the proviso prohibiting the payment of salaries and expenses for regional and State information employees. In so doing, the committee expects that the Department will continue to adhere to the intent of this limitation in connection with the administration of the agricultural conservation program.

An advance program authorization of \$250,000,000 for 1963 is recommended. This is the amount carried in the House bill and an increase of \$100,000,000 over the budget estimate.

The committee has stricken from the bill an amendment regarding technical assistance for drainage on wet lands. The standing committee on Agriculture and Forestry has reported H.R. 8520 which deals with this subject.

CONSERVATION RESERVE PROGRAM

1962 appropriation.....	\$312, 000, 000
1963 estimate.....	323, 000, 000
House bill.....	300, 000, 000
Committee recommendation.....	305, 000, 000

The committee recommends an appropriation of \$305,000,000 for carrying out program costs of the conservation reserve program. The amount recommended is an increase of \$5,000,000 over the House bill and is \$18,000,000 under the budget request. The committee believes the amount recommended will be adequate to meet mandatory payments as the full amount appropriated herein is available for program costs due to the transfer of the administrative expense limitation for this item to a direct appropriation account for the various programs administered by this agency.

OFFICE OF THE GENERAL COUNSEL

1962 appropriation.....	\$3, 645, 000
1963 estimate.....	3, 800, 000
House bill.....	3, 645, 000
Committee recommendation.....	3, 695, 000

The committee recommends an appropriation of \$3,695,000 for the Office of the General Counsel. This is \$50,000 over the House bill and \$105,000 under the budget estimate.

OFFICE OF INFORMATION

1962 appropriation.....	\$1, 590, 000
1963 estimate.....	1, 610, 000
House bill.....	1, 610, 000
Committee recommendation.....	1, 610, 000

An appropriation of \$1,610,000 is recommended, an increase of \$19,500 over 1962, the amount recommended in the budget estimate and in the House bill.

NATIONAL AGRICULTURAL LIBRARY

1962 appropriation.....	\$1, 028, 500
1963 estimate.....	1, 220, 000
House bill.....	1, 028, 500
Committee recommendation.....	1, 153, 500

The committee recommends an appropriation of \$1,153,500 for the National Agricultural Library. This amount includes an increase of \$125,000 over 1962 and the amount in the House bill, and is \$66,500 under the budget request. The increase provided is needed to improve library services for research and scientific purposes.

GENERAL ADMINISTRATION

1962 appropriation.....	\$3, 096, 000
1963 estimate.....	3, 698, 000
House bill.....	3, 506, 000
Committee recommendation.....	3, 256, 000

The committee recommends an appropriation of \$3,256,000 for this item, an increase of \$160,000 over 1962, \$442,000 under the budget request, and \$250,000 under the House bill. The House bill had provided that a part of the \$250,000 proposed to be transferred from various agencies to establish an Office of Internal Audit and Inspection be used for rural area development programs. In lieu of this provision in the House bill, the committee has inserted in the bill a provision which authorizes the Secretary of Agriculture to transfer \$225,000 during this fiscal year from other appropriations available to the Department for the expenses of this new office. The committee expects the Department to give full priority to the pilot study on manpower use, with the objective of bringing about administrative savings within the Department, and to report on the results of this study next year.

The committee has not sought to earmark the \$160,000 increase over 1962 provided in the bill, but believes that none of it should be used for the administration of rural area development programs, since a minimum of \$1,683,500 of such funds will be made available to the Department from the Department of Commerce in connection with the area development program. This is a minimum increase of \$908,500 of funds made available for this purpose during 1962, and the final figure is dependent upon final congressional action on the Department of Commerce appropriation bill. The committee expects the Secretary to employ the full facilities of the Department agencies and personnel thereof in carrying out his responsibilities.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

LOAN AUTHORIZATIONS: ELECTRIFICATION AND TELEPHONE

	Electric loans	Telephone loans	Total
1962 appropriation act.....	\$245,000,000	\$162,500,000	\$407,500,000
1963 original estimate.....	345,000,000	135,000,000	480,000,000
1963 revised estimate.....	400,000,000	80,000,000	480,000,000
House bill.....	400,000,000	80,000,000	480,000,000
Committee recommendation.....	400,000,000	80,000,000	480,000,000

The committee recommends an authorization of \$400,000,000 for the electrification program, the amount carried in the House bill and proposed in the revised budget estimate. The committee concurs in the \$100,000,000 contingency reserve provided in the House bill. The amount recommended is an increase of \$155,000,000 over 1962 and is primarily for generation and transmission loans. The committee concurs in the House statement that REA borrowers should be encouraged to comply with the reserve standards recently issued by the agency. These standards should be applied in dealing with repayment schedules of present REA borrowers and not be limited to future loans.

For the telephone program, the committee has approved an authorization of \$80,000,000, the amount in the revised estimate and provided in the House bill. This is a reduction of \$55,000,000 below the 1962 authorization. The amount approved, together with a carryover of \$42,701,631 carried forward from last year, will make a total authorization of over \$122,000,000 available for telephone loans in fiscal 1963.

The committee is concerned about the controversy which is developing with regard to generation and transmission loans. It is noted that in reporting the Food and Agriculture Act of 1962, S. 3225, the Senate committee report described the history and major developments under the Rural Electrification Act of 1936, as amended. The committee endorses the statements made in that committee report which caution the Administrator of REA not to make these large generation loans unless they are completely necessary, and suggest that negotiations between REA borrowers and investor-owned companies should proceed in a fair and equitable manner.

The committee believes that both the REA cooperatives and private power are here to stay and they ought to work together as equitably and fairly as possible. We make bold to suggest that the Committee on Agriculture and Forestry may wish to carefully reexamine this aspect of the program.

SALARIES AND EXPENSES

1962 appropriation.....	\$10, 024, 000
1963 estimate.....	10, 324, 000
House bill.....	10, 024, 000
Committee recommendation.....	10, 024, 000

The committee recommends an appropriation of \$10,024,000, the amount of the House bill, the amount provided in 1962, and \$300,000 under the estimate. This amount is believed to be adequate for the agency to carry out its activities.

FARMERS HOME ADMINISTRATION

RURAL HOUSING GRANTS AND LOANS

Last year, an appropriation of \$10,000,000 was made for enlargement and development loans and for repair and improvement grants. The budget request of \$10,000,000 was denied by the House, and no appeal was made by the Department. Adequate funds are available under the previous appropriation for the current year.

Last year, a total of \$95,000,000 was used for rural building loans authorized under the Housing Act of 1961. Due to continued demand for these loans, it is expected that a similar amount will be made available for the current fiscal year.

DIRECT LOAN ACCOUNT

1962 authorization.....	\$336, 000, 000
1963 estimate.....	325, 000, 000
House bill.....	325, 000, 000
Committee recommendation.....	340, 000, 000

The committee recommends an authorization of \$340,000,000 for farmownership, soil and water conservation, and farm operating loans. The direct loan account was established pursuant to the Consolidated Farmers Home Administration Act of 1961, which established the direct loan account in fiscal 1962.

For farmownership and soil and water conservation loans, the committee has recommended a total of \$50,000,000 for 1963. This will provide \$40,000,000 for ownership loans and \$10,000,000 for soil and water conservation loans. This is the same as the budget request, the House bill, and the 1962 level.

For farm operating loans, the committee recommends \$290,000,000. This is \$15,000,000 above the budget request and the House bill, and an increase of \$5,000,000 over the 1962 level.

The committee has inserted a contingency authorization of \$50,000,000. It is expected that the agency will program its operating loan activity in a manner which will enable it to operate during the entire fiscal year within the amounts authorized.

SALARIES AND EXPENSES

1962 appropriation.....	\$34, 382, 000
1963 estimate.....	35, 000, 000
House bill.....	34, 382, 000
Committee recommendation.....	34, 582, 000

A direct appropriation of \$34,582,000 is recommended for administrative expenses of the agency. This is \$200,000 over the House bill and the amount provided last year. The \$200,000 increase proposed by the committee will enable the Farmers Home Administration to pay a daily per diem to county committeemen more in line with the per diem paid to county committeemen employed by the Agricultural Stabilization and Conservation Service.

TITLE III—CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION

OPERATING AND ADMINISTRATIVE EXPENSES

1962 appropriation.....	\$6, 549, 000
1963 estimate.....	7, 500, 000
House bill.....	6, 549, 000
Committee recommendation.....	7, 049, 000

The committee recommends an appropriation of \$7,049,000 for the administrative expenses of the Federal Crop Insurance Corporation. The amount available to the agency for operating and administrative expenses is the same amount as carried in the House bill, and is \$451,000 under the estimate. In approving a \$500,000 increase in appropriation, the committee has reduced the limitation on the corporation fund for administrative and operating expenses by the same amount. The increase provided will enable the agency to accelerate the crop insurance program.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

1962 appropriation (to complete balance 1960 capital impairment).....	\$1, 017, 610, 000
1963 estimate (reimbursement for 1961 realized losses and one-third of inventory revaluation).....	2, 489, 955, 000
House bill.....	2, 278, 455, 000
Committee recommendation.....	2, 066, 955, 000

The committee recommends an appropriation of \$2,066,955,000 to reimburse the Commodity Credit Corporation for net realized losses for fiscal 1961. The amount recommended is under the budget estimate by \$423,000,000, and under the House bill by \$211,500,000, and over the 1962 appropriation by \$1,049,345,000. The committee has not included funds to reimburse the Corporation for adjustment of inventory revaluation costs as proposed in the budget request. Reimbursement for such losses, amounting to \$1,268,546,877, can be requested and considered at a future date. This appropriation is pursuant to Public Law 85-155, approved August 17, 1961.

REIMBURSEMENT FOR SPECIAL MILK PROGRAM

1962 appropriation.....	\$90,000,000
1963 estimate.....	105,000,000
House bill.....	105,000,000
Committee recommendation.....	95,000,000

An appropriation of \$95,000,000 is included to reimburse the Commodity Credit Corporation for 1962 costs of the special milk program. This amount will be adequate to reimburse the Corporation for amounts advanced for this in 1962. This is \$10,000,000 below the estimate, and the House bill, and is \$5,000,000 over the amount appropriated last year for 1961 costs. The Agricultural Act of 1961 (Public Law 87-128) provides for direct appropriation for fiscal 1963, and the appropriation therefor is provided under the Agricultural Marketing Service.

LIMITATION ON ADMINISTRATIVE EXPENSES

1962 limitation.....	(\$47,916,000)
1963 estimate.....	(48,000,000)
House bill.....	(47,116,000)
Committee recommendation.....	(43,188,500)

The committee recommends that the limitation for administrative expenses be \$43,188,500, which is \$3,927,500 under the House bill, \$4,811,500 under the budget estimate, and \$4,727,500 under the 1962 level. There is a reduction under 1962 of \$800,000 resulting from placing the appropriation for the special milk program on a regular appropriation basis.

In addition, the committee has reduced this by \$3,927,500 under the budget request and the House bill as a part of the funds authorized to be transferred from the corporate fund for use in the administration of State and county office programs of the Agricultural Stabilization and Conservation Service.

The committee has received complaints about the handling of storage in privately owned warehouses. The Department is requested to take the necessary steps to distribute these warehoused surplus commodities equitably among the grain-producing States, where such action can be taken without incurring additional cost to the Government.

TITLE IV—FOREIGN ASSISTANCE PROGRAMS

PUBLIC LAW 480

Item	Budget estimates, 1963	House bill, 1963	Committee recommendation
Sales for foreign currencies.....	\$1,293,000,000	\$1,080,632,000	\$700,000,000
Emergency famine relief.....	364,000,000	250,000,000	189,000,000
Long-term supply contracts.....	90,000,000	40,000,000	50,000,000
Total, Public Law 480.....	1,747,000,000	1,370,632,000	¹ 939,000,000

¹ Includes \$276,368,000 for 1962 costs.

Under this title of the bill are carried the appropriations to reimburse the Commodity Credit Corporation for costs incurred in carrying out programs authorized under Public Law 480, as amended, and other special activities. The basic authorities under the various titles of Public Law 480 establish the limitation on the size of programs for which appropriations are to be made to the Commodity Credit Corporation to reimburse it for costs incurred.

Last year the Congress appropriated funds to reimburse the Commodity Credit Corporation for the 1961 costs for these programs and appropriated \$1,600,000,000 for anticipated 1962 costs for foreign assistance programs. In making these advance appropriations it was stated that additional funds would be provided later to meet the balance of 1962 costs. The appropriations made last year did not establish levels on these authorized program activities. The remainder of 1962 unreimbursed costs, totaling \$384,885,000, are carried in the bill. The committee has reduced the amounts recommended for advance reimbursement appropriations for 1963 costs. It believes that in future years the reimbursement appropriations for these programs should be made on a regular reimbursement basis, after the costs are incurred. Nothing that has been done in dealing with this title of the bill in any way hampers the program of the Commodity Credit Corporation in fulfilling its commitments under Public Law 480.

The committee recommends a total appropriation of \$939,000,000 for activities under this head. This amount is \$465,319,000 under 1962, \$808,000,000 under the budget estimate, and \$431,632,000 under the House bill.

The amounts and purpose for items under this head follow:

(1) For sales for foreign currencies an appropriation of \$700,000,000 is recommended. This is \$550,451,000 under the 1962 appropriation, \$593,000,000 under the estimate, and \$380,632,000 under the House bill. Within the amount provided \$212,368,000 is for unrecovered prior year costs and \$487,632,000 is available for 1963 costs. The total 1962 cost for sales for foreign currencies amounted to \$1,462,819,000, of which \$1,250,451,000 was provided in the regular Appropriation Act, 1962.

(2) For costs incurred for emergency famine relief an appropriation of \$189,000,000 is provided. This is \$48,132,000 above the 1962 appropriation, \$175,000,000 under the budget request, and \$61,000,000 under the House bill. Within the amount provided \$64,000,000 is for prior year costs, making a total for 1962 costs of \$204,868,000 for emergency famine relief.

(3) For long-term supply contracts an appropriation of \$50,000,000 is recommended. This is \$37,000,000 over the 1962 appropriation, \$40,000,000 under the estimate, and \$10,000,000 over the House bill.

The committee believes that use of this authority should be encouraged in preference to sales for foreign currencies, provided the contracts entered into for the sale of surplus agricultural commodities embody definite terms on delivery dates and on repayment schedules. If carefully administered, this program may become an effective means for the long-range development of foreign markets for agricultural commodities.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

INTERNATIONAL WHEAT AGREEMENT

1962 appropriation.....	\$70,681,000
1963 estimate.....	96,868,000
House bill.....	81,218,000
Committee recommendation.....	15,650,000

The committee recommends an appropriation of \$15,650,000 to cover the balance of 1962 costs incurred under the International Wheat Agreement Act. The total costs for 1962 amounted to \$86,331,000. The recommended amount is \$81,218,000 under the budget estimate for 1963 costs and is \$65,568,000 under the House bill. The expenses for 1963 will be considered in the next regular appropriation bill.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

1962 appropriation.....	\$125,000,000
1963 estimate.....	343,067,000
House bill.....	125,000,000
Committee recommendation.....	92,867,000

An appropriation of \$92,867,000 is recommended to reimburse the Commodity Credit Corporation for unrecovered costs relating to bartered materials acquired pursuant to Public Law 540, 84th Congress. The total costs for 1962 amounted to \$217,867,000, of which \$125,000,000 was provided in the Appropriation Act, 1962.

The amount recommended is \$250,200,000 under the 1963 budget estimate and \$32,133,000 under the House bill. The barter activity has been practically suspended for some time as a result of a program review.

Under the program, surplus agricultural commodities are exchanged for materials for the supplemental stockpile. The committee believes that there may be greater benefit to the American economy to conduct a carefully planned program of trading surplus agricultural commodities for stockpile materials under this authority than in carrying on an expanded disposal program under title I agreements. This is especially true in dealing with those countries where the foreign currencies generated under the title I agreements have depreciated rapidly due to inflation, and where the foreign currencies accumulated cannot be readily used for financing long-range economic development programs.

TITLE V—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

1962 limitation.....	(\$2, 590, 000)
1963 estimate.....	(2, 565, 000)
House bill.....	(2, 565, 000)
Committee recommendation.....	(2, 565, 000)

The committee recommends an administrative expense limitation of \$2,565,000 for the operation of the Farm Credit Administration. This is the amount of the estimate, and the amount approved by the House, and is \$25,000 under the limitation for 1962.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1962 AND ESTIMATES AND AMOUNTS RECOMMENDED
IN BILL FOR 1963

TITLE I—GENERAL ACTIVITIES

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in House bill for 1963	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations, 1962	Budget estimates, 1963	House bill
Agricultural Research Service:							
Salaries and expenses:							
Research.....	\$76,973,000	1 \$78,082,000	\$77,473,000	\$106,126,500	+\$29,153,500	+\$28,044,500	+\$28,653,500
Plant and animal disease and pest control.....	58,080,500	58,902,500	56,330,500	59,180,500	+1,100,000	+278,000	+2,850,000
Meat inspection.....	24,211,000	25,241,000	24,711,000	25,211,000	+1,000,000	—30,000	+500,000
Total.....	159,264,500	162,225,500	158,514,500	190,518,000	+31,253,500	+28,292,500	+32,003,500
Salaries and expenses (special foreign currency program).....	5,265,000	5,265,000	5,265,000	5,265,000	-----	-----	-----
Construction of facilities.....	800,000	1,680,000	760,000	-----	—800,000	—1,680,000	—760,000
Total, Agricultural Research Service.....	165,329,500	169,170,500	164,539,500	195,783,000	+30,453,500	+26,612,500	+31,243,500
Cooperative State Experiment Station Service: Payments and expenses.....							
Extension Service:	36,207,000	38,207,000	38,207,000	38,207,000	+2,000,000	-----	-----
Payments to States and Puerto Rico.....	59,590,000	60,590,000	60,590,000	63,590,000	+4,000,000	+3,000,000	+3,000,000
Retirement costs for extension agents.....	6,260,000	6,605,000	6,605,000	7,105,000	+845,000	+500,000	+500,000
Penalty mail.....	2,490,000	2,490,000	2,490,000	2,490,000	-----	-----	-----
Federal Extension Service.....	2,464,500	2,724,500	2,464,500	2,724,500	+260,000	-----	+260,000
Total, Extension Service.....	70,804,500	72,409,500	72,149,500	75,909,500	+5,105,000	+3,500,000	+3,760,000
Farmer Cooperative Service.....	657,000	757,000	657,000	707,000	+50,000	—50,000	+50,000

Soil Conservation Service:						
Conservation operations.....	89,636,000	90,725,000	90,280,000	90,825,000	+1,189,000	+100,000
Watershed protection.....	53,746,000	² 60,585,000	60,585,000	60,585,000	+6,839,000	-----
Flood prevention.....	24,999,000	24,000,000	25,000,000	24,000,000	-999,000	-----
Great Plains conservation program.....	10,167,000	13,000,000	12,000,000	12,500,000	+2,333,000	-500,000
Total, Soil Conservation Service.....	178,548,000	188,310,000	187,865,000	187,910,000	+9,362,000	-400,000
Economic Research Service: Salaries and expenses.....	9,410,000	10,440,000	9,410,000	9,910,000	+500,000	-530,000
Statistical Reporting Service: Salaries and expenses.....	8,758,000	9,693,000	9,518,000	9,693,000	+935,000	-----
Agricultural Marketing Service:						
Marketing research and service.....	38,269,500	³ 40,435,000	38,857,000	40,107,000	+1,837,500	-378,000
Construction of facilities.....	-----	1,600,000	-----	1,600,000	+1,600,000	-----
Payments to States and possessions.....	1,325,000	1,325,000	1,325,000	1,425,000	+100,000	+100,000
Special milk program.....	-----	105,000,000	105,000,000	105,000,000	+105,000,000	-----
School lunch program.....	⁴ 125,000,000	⁴ 125,000,000	⁴ 125,000,000	125,000,000	-----	-----
Total, Agricultural Marketing Service.....	164,594,500	273,410,000	270,182,000	273,132,000	+108,537,500	-278,000
Foreign Agricultural Service:						
Salaries and expenses.....	⁵ 13,045,000	21,841,000	⁵ 16,145,000	16,895,000	+3,850,000	-4,946,000
Salaries and expenses (special foreign currency program).....	2,856,000	4,000,000	4,000,000	4,000,000	+1,144,000	-----
Total, Foreign Agricultural Service.....	15,901,000	25,841,000	20,145,000	20,895,000	+4,994,000	-4,946,000
Commodity Exchange Authority.....	1,007,000	1,022,000	1,022,000	1,022,000	+15,000	-----

¹ Includes \$100,000 increase contained in H. Doc. 447 for research on strontium 90 in milk.

² Includes \$950,000 increase contained in H. Doc. 447 for river basin surveys.

³ Includes \$150,000 increase contained in H. Doc. 447 for food management planning.

⁴ In addition, \$45,000,000 transferred from sec. 32 funds.

⁵ In addition, \$3,117,000 transferred from sec. 32 funds.

Comparative statement of appropriations for 1962 and estimates and amounts recommended in bill for 1963—Continued

TITLE I—GENERAL ACTIVITIES—Continued

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in House bill for 1963	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations, 1962	Budget estimates, 1963	House bill
Agricultural Stabilization and Conservation Service:							
Acreage allotments and marketing quotas.....	\$44,098,000	\$44,481,000	\$44,098,000	-----	-\$44,098,000	-\$44,481,000	-\$44,098,000
Expenses, Agricultural Stabilization and Conservation Service.....	(106,548,000)	(104,435,000)	(100,423,000)	\$95,423,000	+95,423,000	+95,423,000	+95,423,000
Sugar Act program.....	78,000,000	80,000,000	80,000,000	77,650,000	-350,000	-2,350,000	-2,350,000
Agricultural conservation program.....	238,000,000	244,500,000	242,000,000	212,900,000	-25,100,000	-31,600,000	-29,100,000
Emergency conservation measures.....	5,000,000	-----	-----	-----	-5,000,000	-----	-----
Conservation reserve program.....	312,000,000	323,000,000	300,000,000	305,000,000	-7,000,000	-18,000,000	+5,000,000
Special agricultural conservation and adjustment programs.....	18,500,000	18,500,000	15,000,000	-----	-18,500,000	-18,500,000	-15,000,000
Total, Agricultural Stabilization and Conservation Service.....	695,598,000	710,481,000	681,098,000	690,973,000	-4,625,000	-19,508,000	+9,875,000
Office of the General Counsel.....	3,645,000	3,800,000	3,645,000	3,695,000	+50,000	-105,000	+50,000
Office of Information.....	1,590,500	1,610,000	1,610,000	1,610,000	+19,500	-----	-----
Centennial observance of agriculture.....	100,000	-----	-----	-----	-100,000	-----	-----
National Agricultural Library.....	1,028,500	1,220,000	1,028,500	1,153,500	+125,000	-66,500	+125,000
General administration.....	3,096,000	3,698,000	3,506,000	3,256,000	+160,000	-442,000	-250,000
Total, title I, general activities.....	1,356,274,500	1,510,089,000	1,464,582,500	1,513,856,000	+157,581,500	+3,787,000	+49,273,500

Comparative statement of appropriations for 1962 and estimates and amounts recommended in bill for 1963—Continued

TITLE III—CORPORATIONS

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in House bill for 1963	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations, 1962	Budget estimates, 1963	House bill
Federal Crop Insurance Corporation: Administrative and operating expenses:							
Appropriation.....	\$6,549,000	\$7,500,000	\$6,549,000	\$7,049,000	+\$500,000	-\$451,000	+\$500,000
Premium income.....	(2,830,000)	(2,830,000)	(3,330,000)	(2,830,000)			(-500,000)
Total, Federal Crop Insurance Corporation.....	6,549,000	7,500,000	6,549,000	7,049,000	+\$500,000	-451,000	+500,000
Commodity Credit Corporation:							
Reimbursement for net realized losses.....	1,017,610,000	2,489,955,000	2,278,455,000	2,066,955,000	+1,049,345,000	-423,000,000	-211,500,000
Reimbursements for special activities:							
International Wheat Agreement.....	88,790,000				-88,790,000		
Emergency famine relief.....	255,685,000				-255,685,000		
Sales for local currencies (Public Law 480).....	1,353,000,000				-1,353,000,000		
Migratory waterfowl feed.....	13,000				-13,000		
Bartered materials for stockpile.....	163,163,000				-163,163,000		
Grading and classing activities.....	1,264,000				-1,264,000		
Total reimbursements for special activities.....	1,861,915,000				-1,861,915,000		
Reimbursement for special milk program.....	90,000,000	105,000,000	105,000,000	95,000,000	+5,000,000	-10,000,000	-10,000,000
Limitation on administrative expenses.....	(47,916,000)	(48,000,000)	(47,116,000)	(43,188,500)	(-4,727,500)	(-4,811,500)	(-3,927,500)
Total, Commodity Credit Corporation.....	2,969,525,000	2,594,955,000	2,383,455,000	2,161,955,000	-807,570,000	-433,000,000	-221,500,000
Total, title III, corporations.....	2,976,074,000	2,602,455,000	2,390,004,000	2,169,004,000	-807,070,000	-433,451,000	-221,000,000

TITLE IV—FOREIGN ASSISTANCE PROGRAMS

Public Law 480:							
Sales for foreign currencies.....	\$1, 250, 451, 000	\$1, 293, 000, 000	\$1, 080, 632, 000	\$700, 000, 000	-\$550, 451, 000	-\$593, 000, 000	-\$380, 632, 000
Emergency famine relief.....	140, 868, 000	364, 000, 000	250, 000, 000	189, 000, 000	+48, 132, 000	-175, 000, 000	-61, 000, 000
Long-term supply contracts.....	13, 000, 000	90, 000, 000	40, 000, 000	50, 000, 000	+37, 000, 000	-40, 000, 000	+10, 000, 000
Total, Public Law 480.....	1, 404, 319, 000	1, 747, 000, 000	1, 370, 632, 000	939, 000, 000	-465, 319, 000	-808, 000, 000	-431, 632, 000
International Wheat Agreement.....	70, 681, 000	96, 868, 000	81, 218, 000	15, 650, 000	-55, 031, 000	-81, 218, 000	-65, 568, 000
Bartered materials for supplemental stockpile.....	125, 000, 000	343, 067, 000	125, 000, 000	92, 867, 000	-32, 133, 000	-250, 200, 000	-32, 133, 000
Total, title IV, foreign assistance programs.....	1, 600, 000, 000	2, 186, 935, 000	1, 576, 850, 000	1, 047, 517, 000	-552, 483, 000	-1, 139, 418, 000	-529, 333, 000

TITLE V—RELATED AGENCIES

Farm Credit Administration: Limitation on administrative expenses.....	(\$2,590,000)	(\$2,565,000)	(\$2,565,000)	(\$2,565,000)	(—\$25,000)		
Interior Department: Grain for migratory waterfowl.....	35,000				—35,000		
Total, title V, related agencies.....	35,000				—35,000		

SUMMARY OF THE BILL

Total appropriations:							
Title I—General activities.....	\$1,356,274,500	\$1,510,069,000	\$1,464,582,500	\$1,513,856,000	+\$157,581,500	+\$3,787,000	+\$49,273,500
Title II—Credit agencies.....	54,406,000	55,324,000	44,406,000	44,606,000	—9,800,000	—10,718,000	+200,000
Title III—Corporations.....	2,976,074,000	2,602,455,000	2,390,004,000	2,169,004,000	—807,070,000	—433,451,000	—221,000,000
Title IV—Foreign assistance programs.....	1,600,000,000	2,186,935,000	1,576,850,000	1,047,517,000	—552,483,000	—1,139,418,000	—529,333,000
Title V—Related agencies.....	35,000				—35,000		
Grand total.....	5,986,789,500	6,354,783,000	5,475,842,500	4,774,983,000	—1,211,806,500	—1,579,800,000	—700,859,500

PERMANENT APPROPRIATIONS

Item	Appropriations, 1962	Budget estimates, 1963	Increase or decrease
Agricultural Marketing Service:			
Perishable Agricultural Commodities Act fund.....	\$693, 210	\$693, 210	-----
Removal of surplus agricultural commodities (sec. 32).....	325, 826, 750	324, 000, 000	-\$1, 826, 750
Total, Agricultural Marketing Service.....	326, 519, 960	324, 693, 210	-1, 826, 750
Commodity Stabilization Service: National Wool Act.....	75, 277, 593	65, 000, 000	-10, 277, 593
Total, permanent appropriations.....	401, 797, 553	389, 693, 210	-12, 104, 343

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Calendar No. 1871

87TH CONGRESS
2^D SESSION

H. R. 12648

[Report No. 1908]

IN THE SENATE OF THE UNITED STATES

JULY 27 (legislative day, JULY 26), 1962

Read twice and referred to the Committee on Appropriations

AUGUST 22, 1962

Reported by Mr. RUSSELL, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, for the Depart-
5 ment of Agriculture and related agencies for the fiscal
6 year ending June 30, 1963; namely:

1 DEPARTMENT OF AGRICULTURE

2 TITLE I—GENERAL ACTIVITIES

3 AGRICULTURAL RESEARCH SERVICE

4 SALARIES AND EXPENSES

5 For expenses necessary to perform agricultural research
6 relating to production, utilization, and home economics, to
7 control and eradicate pests and plant and animal diseases,
8 and to perform related inspection, quarantine and regulatory
9 work, and meat inspection: *Provided*, That not to exceed
10 \$75,000 of the appropriations hereunder shall be available
11 for employment pursuant to the second sentence of section
12 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as
13 amended by section 15 of the Act of August 2, 1946 (5
14 U.S.C. 55a): *Provided further*, That appropriations here-
15 under shall be available for the operation and maintenance
16 of aircraft and the purchase of not to exceed two for replace-
17 ment only: *Provided further*, That appropriations hereunder
18 shall be available pursuant to title 5, United States Code,
19 section 565a, for the construction, alteration, and repair of
20 buildings and improvements, ~~and for acquisition of sites~~
21 ~~therefor by donation, exchange, or purchase at a nominal~~
22 ~~cost not to exceed \$100~~, but unless otherwise provided, the
23 cost of constructing any one building (except headhouses
24 connecting greenhouses) shall not exceed \$15,000, except for
25 four buildings to be constructed or improved at a cost not to

1 exceed \$30,000 each and one building to be constructed at a
2 cost not to exceed \$50,000, and the cost of altering any one
3 building during the fiscal year shall not exceed \$5,000 or 5
4 per centum of the cost of the building, whichever is greater:
5 *Provided further*, That the limitations on alterations con-
6 tained in this Act shall not apply to a total of \$100,000 for
7 conversion of animal disease and parasite research facilities
8 at Beltsville, Maryland:

9 ~~Research: For research and demonstrations on the pro-~~
10 ~~duction and utilization of agricultural products, home eco-~~
11 ~~nomies, and related research and services, \$77,473,000:~~
12 *Provided*, That the limitations contained herein shall not
13 apply to replacement of buildings needed to carry out the
14 Act of April 24, 1948 (21 U.S.C. 113a);

15 *Research: For research and demonstrations on the pro-*
16 *duction and utilization of agricultural products, home eco-*
17 *nomies, and related research and services, \$106,126,500,*
18 *including such amounts as may be necessary, notwithstanding*
19 *the foregoing limitations, to remain available until expended,*
20 *for the construction, alteration, and equipping of facilities*
21 *and acquisition of the necessary land therefor by purchase,*
22 *donation or exchange: Provided, That the limitations con-*
23 *tained herein shall not apply to replacement of buildings*
24 *needed to carry out the Act of April 24, 1948 (21 U.S.C.*
25 *113a);*

1 Plant and animal disease and pest control: For opera-
2 tions and measures, not otherwise provided for, to control and
3 eradicate pests and plant and animal diseases and for carry-
4 ing out assigned inspection, quarantine, and regulatory activi-
5 ties, as authorized by law, including expenses pursuant to the
6 Act of February 28, 1947, as amended (21 U.S.C. 114b-c),
7 ~~\$56,330,500~~ \$59,180,500, of which \$1,500,000 shall be
8 apportioned for use pursuant to section 3679 of the Revised
9 Statutes, as amended, for the control of outbreaks of insects
10 and plant diseases to the extent necessary to meet emergency
11 conditions: *Provided, That, \$150,000 shall be available,*
12 *notwithstanding the foregoing limitations, for the construc-*
13 *tion and equipping of facilities and acquisition of the neces-*
14 *sary land therefor by purchase, donation, or exchange:*
15 *Provided further, That no funds shall be used to formulate*
16 *or administer a brucellosis eradication program for fiscal*
17 *year 1964 that does not require minimum matching by any*
18 *State of at least 40 per centum: Provided, That, in*
19 addition, in emergencies which threaten the livestock or
20 poultry industries of the country, the Secretary may transfer
21 from other appropriations or funds available to the agencies
22 or corporations of the Department such sums as he may
23 deem necessary, to be available only in such emergencies for
24 the arrest and eradication of foot-and-mouth disease, rinder-
25 pest, contagious pleuropneumonia, or other contagious or

1 infectious diseases of animals, or European fowl pest and
2 similar diseases in poultry, and for expenses in accordance
3 with the Act of February 28, 1947, as amended, and any
4 unexpended balances of funds transferred under this head
5 in the next preceding fiscal year shall be merged with such
6 transferred amounts;

7 Meat inspection: For carrying out the provisions of laws
8 relating to Federal inspection of meat, and meat-food prod-
9 ucts, and the applicable provisions of the laws relating to
10 process or renovated butter, ~~\$24,711,000~~ \$25,211,000.

11 Special fund: To provide for additional labor to be em-
12 ployed under contracts and cooperative agreements to
13 strengthen the work at research installations in the field, not
14 more than \$1,000,000 of the amount appropriated under this
15 head for the previous fiscal year may be used by the Admin-
16 istrator of the Agricultural Research Service in departmental
17 research programs in the current fiscal year, the amount
18 so used to be transferred to and merged with the appro-
19 priation otherwise available under "Salaries and expenses,
20 Research".

21 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
22 PROGRAM)

23 For purchase of foreign currencies which accrue under
24 title I of the Agricultural Trade Development and Assist-
25 ance Act of 1954, as amended (7 U.S.C. 1704), for mar-

1 ket development research authorized by section 104 (a) , and
2 for agricultural and forestry research authorized by section
3 104 (k) of the Agricultural Trade Development and Assist-
4 ance Act of 1954, as amended (7 U.S.C. 1704 (a) (k)), to
5 remain available until expended, \$5,265,000: *Provided*,
6 That this appropriation shall be available, in addition to other
7 appropriations for these purposes, for the purchase of the
8 foregoing currencies: *Provided further*, That funds appro-
9 priated herein shall be used to purchase such foreign cur-
10 rencies as the Department determines are needed and can be
11 used most effectively to carry out the purposes of this para-
12 graph, and such foreign currencies shall, pursuant to the pro-
13 visions of section 104 (a) , be set aside for sale to the De-
14 partment before foreign currencies which accrue under said
15 title I are made available for other United States uses: *Pro-*
16 *vided further*, That not to exceed \$25,000 of this appropria-
17 tion shall be available for purchase of foreign currencies for
18 expenses of employment pursuant to the second sentence of
19 section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574) ,
20 as amended by section 15 of the Act of August 2, 1946 (5
21 U.S.C. 55a) .

22 CONSTRUCTION OF FACILITIES

23 For construction of facilities and acquisition of the nec-
24 essary land therefor by purchase, donation or exchange,
25 \$760,000, to remain available until expended.

1 COOPERATIVE STATE EXPERIMENT

2 STATION SERVICE

3 PAYMENTS AND EXPENSES

4 For payments to agricultural experiment stations and
5 other expenses, including \$37,113,000 to carry into effect
6 the provisions of the Hatch Act, approved March 2, 1887,
7 as amended by the Act approved August 11, 1955 (7
8 U.S.C. 361a-361i), including administration by the United
9 States Department of Agriculture; \$500,000 for payments
10 authorized under section 204 (b) of the Agricultural Market-
11 ing Act of 1946 (7 U.S.C. 1623); \$250,000 for penalty
12 mail costs of agricultural experiment stations under section 6
13 of the Hatch Act of 1887, as amended; and \$344,000 for
14 necessary expenses of the Cooperative State Experiment
15 Station Service, including administration of payments to
16 State agricultural experiment stations, of which not more
17 than \$25,000 shall be available for employment pursuant to
18 the second sentence of section 706 (a) of the Organic Act
19 of 1944 (5 U.S.C. 574), as amended by section 15 of the
20 Act of August 2, 1946 (5 U.S.C. 55a); \$38,207,000.

21 EXTENSION SERVICE

22 COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

23 Payments to States and Puerto Rico: For payments for
24 cooperative agricultural extension work under the Smith-
25 Lever Act, as amended by the Act of June 26, 1953 (7

1 U.S.C. 341-348), and the Act of August 11, 1955 (7
2 U.S.C. 347a), ~~\$59,020,000~~ *\$62,020,000*; and payments and
3 contracts for such work under section 204(b)-205 of the
4 Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624),
5 \$1,570,000; in all, ~~\$60,590,000~~ *\$63,590,000*. *Provided,*
6 That funds hereby appropriated pursuant to section 3(c) of
7 the Act of June 26, 1953, shall not be paid to any State or
8 Puerto Rico prior to availability of an equal sum from non-
9 Federal sources for expenditure during the current fiscal
10 year.

11 Retirement costs for extension agents: For cost of em-
12 ployer's share of Federal retirement for cooperative exten-
13 sion employees, ~~\$6,605,000~~ *\$7,105,000*.

14 Penalty mail: For costs of penalty mail for cooperative
15 extension agents and State extension directors, \$2,490,000.

16 Federal Extension Service: For administration of the
17 Smith-Lever Act, as amended by the Act of June 26, 1953
18 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7
19 U.S.C. 347a), and extension aspects of the Agricultural
20 Marketing Act of 1946 (7 U.S.C. 1621-1627), and to
21 coordinate and provide program leadership for the exten-
22 sion work of the Department and the several States and
23 insular possessions, ~~\$2,464,500~~ *\$2,724,500*.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S. 451-457), ~~\$657,000~~ \$707,000.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, ~~\$90,280,000~~ \$90,825,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings

1 to be constructed or improved at a cost not to exceed \$15,000
2 per building and except that alterations or improvements
3 to other existing permanent buildings costing \$2,500 or more
4 may be made in any fiscal year in an amount not to exceed
5 \$500 per building: *Provided further*, That no part of this
6 appropriation shall be available for the construction of any
7 such building on land not owned by the Government:
8 *Provided further*, That no part of this appropriation may be
9 expended for soil and water conservation operations under
10 the Act of April 27, 1935 (16 U.S.C. 590a-590f), in
11 demonstration projects: *Provided further*, That not to exceed
12 \$5,000 may be used for employment pursuant to the second
13 sentence of section 706 (a) of the Organic Act of 1944 (5
14 U.S.C. 574), as amended by section 15 of the Act of August
15 2, 1946 (5 U.S.C. 55a): *Provided further*, That qualified
16 local engineers may be temporarily employed at per diem
17 rates to perform the technical planning work of the service.

18 WATERSHED PROTECTION

19 For expenses necessary to conduct surveys, investiga-
20 tions, and research and to carry out preventive measures, in-
21 cluding, but not limited to, engineering operations, methods
22 of cultivation, the growing of vegetation, and changes in use
23 of land, in accordance with the Watershed Protection and
24 Flood Prevention Act, approved August 4, 1954, as
25 amended (16 U.S.C. 1001-1008), and the provisions of the

1 Act of April 27, 1935 (16 U.S.C. 590a-f) , to remain avail-
2 able until expended, \$60,585,000, with which shall be
3 merged the unexpended balances of funds heretofore ap-
4 propriated or transferred to the Department for watershed
5 protection purposes: *Provided*, That not to exceed \$100,000
6 may be used for employment pursuant to the second sentence
7 of section 706 (a) of the Organic Act of 1944 (5 U.S.C.
8 574), as amended by section 15 of the Act of August 2,
9 1946 (5 U.S.C. 55a) : *Provided further*, That not to exceed
10 \$3,000,000, together with the unobligated balance of funds
11 previously appropriated for loans and related expense, shall
12 be available for such purposes.

13 FLOOD PREVENTION

14 For expenses necessary, in accordance with the Flood
15 Control Act, approved June 22, 1936 (33 U.S.C. 701-709,
16 16 U.S.C. 1006a), as amended and supplemented, and in
17 accordance with the provisions of laws relating to the activi-
18 ties of the Department, to perform works of improvement,
19 including not to exceed \$100,000 for employment pursuant
20 to the second sentence of section 706 (a) of the Organic
21 Act of 1944 (5 U.S.C. 574), as amended by section 15 of
22 the Act of August 2, 1946 (5 U.S.C. 55a) , to remain available
23 until expended; ~~\$25,000,000~~ \$24,000,000, with which shall
24 be merged the unexpended balances of funds heretofore appro-
25 priated or transferred to the Department for flood prevention

1 purposes: *Provided*, That no part of such funds shall be
2 used for the purchase of lands in the Yazoo and Little Talla-
3 hatchie watersheds without specific approval of the county
4 board of supervisors of the county in which such lands are
5 situated: *Provided further*, That not to exceed \$1,000,000,
6 together with the unobligated balance of funds previously
7 appropriated for loans and related expense, shall be available
8 for such purposes.

9 GREAT PLAINS CONSERVATION PROGRAM

10 For necessary expenses to carry into effect a program of
11 conservation in the Great Plains area, pursuant to section
12 16 (b) of the Soil Conservation and Domestic Allotment
13 Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p) ,
14 ~~\$12,000,000~~ \$12,500,000, to remain available until expended.

15 ECONOMIC RESEARCH SERVICE

16 SALARIES AND EXPENSES

17 For necessary expenses of the Economic Research
18 Service in conducting economic research and service relating
19 to agricultural production, marketing, and distribution, as
20 authorized by the Agricultural Marketing Act of 1946
21 (7 U.S.C. 1621-1627) , and other laws, including economics
22 of marketing; analyses relating to farm prices, income and
23 population, and demand for farm products, use of resources
24 in agriculture, adjustments, costs and returns in farming,
25 and farm finance; and for analyses of supply and demand for

1 farm products in foreign countries and their effect on
2 prospects for United States exports, progress in economic
3 development and its relation to sales of farm products, assem-
4 bly and analysis of agricultural trade statistics and analysis of
5 international financial and monetary programs and policies
6 as they affect the competitive position of United States farm
7 products; ~~\$9,410,000~~ \$9,910,000: *Provided*, That not less
8 than \$350,000 of the funds contained in this appropriation
9 shall be available to continue to gather statistics and conduct
10 a special study on the price spread between the farmer and
11 consumer: *Provided further*, That not to exceed \$75,000 of
12 the appropriation shall be available for employment pursuant
13 to the second sentence of section 706 (a) of the Organic Act
14 of 1944 (5 U.S.C. 574), as amended by section 15 of the
15 Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*,
16 That not less than \$145,000 of the funds contained in this
17 appropriation shall be available for analysis of statistics and
18 related facts on foreign production and full and complete
19 information on methods used by other countries to move
20 farm commodities in world trade on a competitive basis.

21 STATISTICAL REPORTING SERVICE

22 SALARIES AND EXPENSES

23 For necessary expenses of the Statistical Reporting
24 Service in conducting statistical reporting and service work,
25 including crop and livestock estimates, statistical coordination

1 and improvements, and marketing surveys, as authorized by
2 the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–
3 1627) and other laws ~~\$9,518,000~~ *\$9,693,000: Provided,*
4 That no part of the funds herein appropriated shall be avail-
5 able for any expense incident to publishing estimates of
6 apple production for other than the commercial crop.

7 AGRICULTURAL MARKETING SERVICE

8 MARKETING RESEARCH AND SERVICE

9 For expenses necessary to carry on research and service
10 to improve and develop marketing and distribution relating to
11 agriculture as authorized by the Agricultural Marketing Act
12 of 1946 (7 U.S.C. 1621–1627) and other laws, including
13 the administration of marketing regulatory acts connected
14 therewith; research and development, including related cost
15 and efficiency evaluations, and services relating to agricul-
16 tural marketing and distribution, for carrying out regulatory
17 acts connected therewith, and for administration and co-
18 ordination of payments to States; and not to exceed \$25,000
19 for employment at rates not to exceed \$50 per diem,
20 except for employment in rate cases at not to exceed \$100
21 per diem, pursuant to section 706 (a) of the Organic Act
22 of 1944 (5 U.S.C. 574), as amended by section 15 of the
23 Act of August 2, 1946 (5 U.S.C. 55a), in carrying out
24 section 201 (a) to 201 (d), inclusive, of title II of the Agri-

1 cultural Adjustment Act of 1938 (7 U.S.C. 1291) and sec-
 2 tion 203 (j) of the Agricultural Marketing Act of 1946,
 3 ~~\$38,857,000~~ ^{\$40,107,000}: *Provided*, That appropriations
 4 hereunder shall be available pursuant to 5 U.S.C. 565a for
 5 the construction, alteration, and repair of buildings and im-
 6 provements, but unless otherwise provided, the cost of erect-
 7 ing any one building shall not exceed \$15,000, except for two
 8 buildings to be constructed or improved at a cost not to
 9 exceed \$30,000 each, and the cost of altering any one build-
 10 ing during the fiscal year shall not exceed \$5,000 or 5 per
 11 centum of the cost of the building whichever is greater.

12 CONSTRUCTION OF FACILITIES

13 *For construction of facilities and acquisition of the nec-*
 14 *essary land therefor, as authorized by law, \$1,600,000 to*
 15 *remain available until expended.*

16 PAYMENTS TO STATES AND POSSESSIONS

17 For payments to departments of agriculture, bureaus and
 18 departments of markets, and similar agencies for marketing
 19 activities under section 204 (b) of the Agricultural Market-
 20 ing Act of 1946 (7 U.S.C. 1623 (b)), ~~\$1,325,000~~
 21 ^{\$1,425,000}.

22 SPECIAL MILK PROGRAM

23 For necessary expenses to carry out the Special Milk
 24 Program, as authorized by the Act of August 8, 1961 (75
 25 Stat. 319), \$105,000,000.

1 SCHOOL LUNCH PROGRAM

2 For necessary expenses to carry out the provisions of
3 the National School Lunch Act (42 U.S.C. 1751-1760),
4 \$125,000,000: *Provided*, That no part of this appropriation
5 shall be used for nonfood assistance under section 5 of said
6 Act: *Provided further*, That \$45,000,000 shall be trans-
7 ferred to this appropriation from funds available under sec-
8 tion 32 of the Act of August 24, 1935, for purchase and
9 distribution of agricultural commodities and other foods pur-
10 suant to section 6 of the National School Lunch Act: ~~*Pro-*~~
11 ~~*vided further*~~, That for the purpose of providing additional
12 assistance based on program participation and needs in the
13 States as may be necessary to aid in meeting the nutritional
14 and other requirements of section 9 of the Act, not to ex-
15 ceed \$10,000,000 of this appropriation shall be available
16 for commodity assistance under section 6 of the Act, in addi-
17 tion to amounts normally expended for commodity procure-
18 ment under that section, under such regulations as the Secre-
19 tary may prescribe.

20 FOREIGN AGRICULTURAL SERVICE

21 SALARIES AND EXPENSES

22 For necessary expenses for the Foreign Agricultural
23 Service, including carrying out title VI of the Agricultural
24 Act of 1954 (7 U.S.C. 1761-1768), market development
25 activities abroad, and for enabling the Secretary to coordi-

1 nate and integrate activities of the Department in connection
 2 with foreign agricultural work, including not to exceed
 3 \$35,000 for representation allowances and for expenses pur-
 4 suant to section 8 of the Act approved August 3, 1956
 5 (7 U.S.C. 1766), ~~\$16,145,000~~ \$16,895,000: *Provided*,
 6 That not less than \$255,000 of the funds contained in this ap-
 7 propriation shall be available to obtain statistics and related
 8 facts on foreign production and full and complete information
 9 on methods used by other countries to move farm commodi-
 10 ties in world trade on a competitive basis: *Provided further*,
 11 That, in addition, not to exceed \$3,117,000 of the funds
 12 appropriated by section 32 of the Act of August 24, 1935,
 13 as amended (7 U.S.C. 612c), shall be merged with this
 14 appropriation and shall be available for all expenses of the
 15 Foreign Agricultural Service.

16 SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY
 17 PROGRAM)

18 For purchase of foreign currencies which accrue under
 19 title I of the Agricultural Trade Development and Assistance
 20 Act of 1954, as amended (7 U.S.C. 1704), for market
 21 development activities authorized by section 104(a) of
 22 the Agricultural Trade Development and Assistance Act of
 23 1954, as amended (7 U.S.C. 1704(a)), \$4,000,000, to re-
 24 main available until expended: *Provided*, That funds appro-

1 priated herein shall be used to purchase such foreign cur-
2 rencies as the Department determines are needed and can
3 be used most effectively to carry out the purposes of this
4 paragraph, and such foreign currencies shall, pursuant to the
5 provisions of section 104(a), to be set aside for sale to the
6 Department before foreign currencies which accrue under
7 said title I are made available for other United States uses:
8 *Provided further,* That this appropriation shall be available,
9 in addition to other appropriations for these purposes, for
10 the purchase of the foregoing currencies.

11 *For purchase of foreign currencies which accrue under*
12 *title I of the Agricultural Trade Development and As-*
13 *sistance Act of 1954, as amended (7 U.S.C. 1704), for*
14 *the purposes of market development activities under section*
15 *104(a) of that Act, \$4,000,000 to remain available until*
16 *expended: Provided further, That funds appropriated*
17 *herein shall be used to purchase such foreign currencies as*
18 *the Department determines are needed and can be used*
19 *most effectively to carry out the purposes of this para-*
20 *graph, and such foreign currencies shall, pursuant to the*
21 *provisions of section 104(a), be set aside for sale to the*
22 *Department before foreign currencies which accrue under*
23 *said title I are made available for other United States*
24 *uses.*

1 COMMODITY EXCHANGE AUTHORITY

2 SALARIES AND EXPENSES

3 For necessary expenses to carry into effect the provisions
4 of the Commodity Exchange Act, as amended (7 U.S.C.
5 1-17a), \$1,022,000.

6 AGRICULTURAL STABILIZATION AND

7 CONSERVATION SERVICE

8 ~~ACREAGE ALLOTMENTS AND MARKETING QUOTAS~~

9 For necessary expenses to formulate and carry out aere-
10 age allotment and marketing quota programs pursuant to
11 provisions of title III of the Agricultural Adjustment Act of
12 1938, as amended (7 U.S.C. 1301-1393), \$44,098,000,
13 of which not more than \$7,125,000 shall be transferred to
14 the appropriation account "Administrative expenses, section
15 392, Agricultural Adjustment Act of 1938".

16 EXPENSES, AGRICULTURAL STABILIZATION AND

17 CONSERVATION SERVICE

18 *For necessary administrative expenses to formulate and*
19 *carry out programs authorized by title III of the Agricultural*
20 *Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393);*
21 *Sugar Act of 1948 (7 U.S.C. 1101-1161); sections 7 to 15*
22 *16(a), 16(d), and 17 of the Soil Conservation and Domestic*
23 *Allotment Act, as amended (16 U.S.C. 590g-590o, 490p*
24 *(a), and 590q) as added by section 132 of the Act of August*

1 8, 1961; and subtitles B and C of the Soil Bank Act (7
 2 U.S.C. 1831-1837, 1802-1814, and 1816) \$95,423,000:
 3 *Provided, That, in addition, not to exceed \$51,379,500 may*
 4 *be transferred to and merged with this appropriation from*
 5 *the Commodity Credit Corporation fund.*

6 SUGAR ACT PROGRAM

7 For necessary expenses to carry into effect the provisions
 8 of the Sugar Act of 1948 (7 U.S.C. 1101-1161),
 9 ~~\$80,000,000~~ \$77,650,000, to remain available until June 30
 10 of the next succeeding fiscal year: ~~*Provided, That expendi-*~~
 11 ~~*tures (including transfers) from this appropriation for*~~
 12 ~~*other than payments to sugar producers shall not exceed*~~
 13 ~~*\$2,350,000.*~~

14 AGRICULTURAL CONSERVATION PROGRAM

15 For necessary expenses to carry into effect the program
 16 authorized in sections 7 to 15, 16 (a), and 17 of the Soil
 17 Conservation and Domestic Allotment Act, approved Febru-
 18 ary 29, 1936, as amended (16 U.S.C. 590g-590 (o),
 19 590p (a), and 590q), including not to exceed \$6,000 for
 20 the preparation and display of exhibits, including such dis-
 21 plays at State, interstate, and international fairs within the
 22 United States, ~~\$242,000,000~~ \$212,900,000, to remain avail-
 23 able until December 31 of the next succeeding fiscal year for
 24 compliance with the programs of soil-building and soil- and
 25 water-conserving practices authorized under this head in the

1 Department of Agriculture and Related Agencies Appropria-
2 tion Acts, 1961 and 1962, carried out during the period July
3 1, 1960, to December 31, 1962, inclusive: *Provided*, That
4 not to exceed \$29,100,000 of the total sum provided under
5 this head shall be available during the current fiscal year for
6 administrative expenses for carrying out such program, the
7 cost of aerial photographs, however, not to be charged to
8 such limitation; but not more than \$5,750,000 shall be trans-
9 ferred to the appropriation account "Administrative expenses;
10 section 392, Agricultural Adjustment Act of 1938": *Pro-*
11 *vided further*, That none of the funds herein appropriated
12 shall be used to pay the salaries or expenses of any regional
13 information employees or any State information employees;
14 but this shall not preclude the answering of inquiries or sup-
15 plying of information at the county level to individual farm-
16 ers: *Provided further*, That, no portion of the funds for the
17 1963 program may be utilized to provide financial or techni-
18 cal assistance for drainage on wetlands now designated as
19 Wetland Types 3 (III), ~~4 (IV)~~, and 5 (V) in United States
20 Department of the Interior, Fish and Wildlife Service
21 Circular 39, Wetlands of the United States, 1956:
22 *Provided further*, That such necessary amounts shall be
23 available for administrative expenses in connection with the
24 formulation and administration of the 1963 program of soil-
25 building and soil- and water-conserving practices, including

1 related wildlife conserving practices, under the Act of Feb-
2 ruary 29, 1936, as amended (amounting to \$250,000,000,
3 ~~including administration~~, except that no participant shall re-
4 ceive more than \$2,500, except where the participants from
5 two or more farms or ranches join to carry out approved
6 practices designed to conserve or improve the agricultural re-
7 sources of the community) : *Provided further*, That not to
8 exceed 5 per centum of the allocation for the 1963 agri-
9 cultural conservation program for any county may, on the
10 recommendation of such county committee and approval of
11 the State committee, be withheld and allotted to the Soil
12 Conservation Service for services of its technicians in formu-
13 lating and carrying out the agricultural conservation pro-
14 gram in the participating counties, and shall not be utilized
15 by the Soil Conservation Service for any purpose other than
16 technical and other assistance in such counties, and in addi-
17 tion, on the recommendation of such county committee and
18 approval of the State committee, not to exceed 1 per centum
19 may be made available to any other Federal, State, or local
20 public agency for the same purpose and under the same con-
21 ditions: *Provided further*, That for the 1963 program \$2,-
22 500,000 shall be available for technical assistance in formu-
23 lating and carrying out agricultural conservation practices:
24 *Provided further*, That such amounts shall be available for
25 the purchase of seeds, fertilizers, lime, trees, or any other

1 farming material, or any soil-terracing services, and mak-
2 ing grants thereof to agricultural producers to aid them
3 in carrying out farming practices approved by the Secretary
4 under programs provided for herein: *Provided further,*
5 That no part of any funds available to the Department, or
6 any bureau, office, corporation, or other agency constituting
7 a part of such Department, shall be used in the current
8 fiscal year for the payment of salary or travel expenses
9 of any person who has been convicted of violating the
10 Act entitled "An Act to prevent pernicious political activi-
11 ties", approved August 2, 1939, as amended, or who has
12 been found in accordance with the provisions of title 18,
13 United States Code, section 1913, to have violated or at-
14 tempted to violate such section which prohibits the use of
15 Federal appropriations for the payment of personal serv-
16 ices or other expenses designed to influence in any manner
17 a Member of Congress to favor or oppose any legislation
18 or appropriation by Congress except upon request of any
19 Member or through the proper official channels.

20 CONSERVATION RESERVE PROGRAM

21 For necessary expenses to carry out a conservation re-
22 serve program as authorized by subtitles B and C of the Soil
23 Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816),
24 and to carry out liquidation activities for the acreage reserve
25 program, to remain available until expended, ~~\$300,000,000~~

1 \$305,000,000, with which may be merged the unexpended
 2 balances of funds heretofore appropriated for soil bank pro-
 3 grams: *Provided*, That not to exceed \$9,875,000 shall be
 4 available for administrative expenses, of which not less than
 5 \$8,000,000 may be transferred to the appropriation account
 6 “Local administration, section 388, Agricultural Adjustment
 7 Act of 1938”: *Provided further*, That no part of these funds
 8 shall be paid on any contract which is illegal under the law
 9 due to the division of lands for the purpose of evading limits
 10 on annual payments to participants.

11 SPECIAL AGRICULTURAL CONSERVATION

12 AND ADJUSTMENT PROGRAMS

13 For necessary administrative expenses to carry into effect
 14 a special agricultural conservation program pursuant to sec-
 15 tion 16(d) of the Soil Conservation and Domestic Allotment
 16 Act, as added by section 132 of the Act of August 8, 1961
 17 (75 Stat. 302), and a special wheat program pursuant to
 18 section 124 of such Act, \$15,000,000.

19 OFFICE OF THE GENERAL COUNSEL

20 SALARIES AND EXPENSES

21 For necessary expenses, including payment of fees or
 22 dues for the use of law libraries by attorneys in the field
 23 service, \$3,645,000 \$3,695,000.

OFFICE OF INFORMATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,610,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-three thousand and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241) : *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

1 NATIONAL AGRICULTURAL LIBRARY

2 SALARIES AND EXPENSES

3 For necessary expenses of the National Agricultural
4 Library, ~~\$1,028,500~~ \$1,153,500.

5 GENERAL ADMINISTRATION

6 SALARIES AND EXPENSES

7 For necessary expenses of the Office of the Secretary of
8 Agriculture and for general administration of the Depart-
9 ment of Agriculture, including expenses of the National Agri-
10 cultural Advisory Commission; repairs and alterations; and
11 other miscellaneous supplies and expenses not otherwise pro-
12 vided for and necessary for the practical and efficient work of
13 the Department of Agriculture; ~~\$3,506,000~~ \$3,256,000: *Pro-*
14 *vided*, That this appropriation shall be reimbursed from appli-
15 cable appropriations for travel expenses incident to the holding
16 of hearings as required by the Administrative Procedures Act
17 (5 U.S.C. 1001): *Provided further*, That not to exceed
18 \$2,500 of this amount shall be available for official reception
19 and representation expenses, not otherwise provided for, as
20 determined by the Secretary: *Provided further*, That not to
21 exceed \$225,000 may be transferred by the Secretary from
22 other appropriations available to the Department of Agri-
23 culture for the expenses of the Office of Internal Audit and
24 Inspection.

1 **TITLE II—CREDIT AGENCIES**

2 **RURAL ELECTRIFICATION ADMINISTRATION**

3 To carry into effect the provisions of the Rural Electri-
4 fication Act of 1936, as amended (7 U.S.C. 901-924), as
5 follows:

6 **LOAN AUTHORIZATIONS**

7 For loans in accordance with said Act, and for carrying
8 out the provisions of section 7 thereof, to be borrowed from
9 the Secretary of the Treasury in accordance with the provi-
10 sions of section 3 (a) of said Act, as follows: Rural electri-
11 fication program, \$400,000,000, of which \$100,000,000
12 shall be placed in reserve to be borrowed under the same
13 terms and conditions to the extent that such amount is
14 required during the fiscal year 1963 under the then existing
15 conditions for the expeditious and orderly development of the
16 rural electrification and rural telephone programs; and rural
17 telephone program, \$80,000,000.

18 **SALARIES AND EXPENSES**

19 For administrative expenses, including not to exceed
20 \$500 for financial and credit reports, and not to exceed
21 \$150,000 for employment pursuant to the second sentence
22 of section 706 (a) of the Organic Act of 1944 (5 U.S.C.
23 574), as amended by section 15 of the Act of August 2,
24 1946 (5 U.S.C. 55a), \$10,024,000.

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335 (a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307) may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, \$50,000,000; and operating loans, ~~\$275,000,000~~ \$290,000,000, of which \$50,000,000 shall be placed in reserve to be used only to the extent required during the fiscal year 1963 under the then existing conditions for the expeditious and orderly conduct of the loan program.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307), title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1484), and the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444); ~~\$34,382,000~~ \$34,582,000, together with not more than \$1,050,000 of the charges collected in connection with the insurance of loans as authorized by section 309 (e) of the Consolidated Farmers Home Administration Act of 1961, and section 514 (b) (3) of the Housing Act of 1949, as amended.

TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expense, ~~\$6,549,000~~ *\$7,049,000*.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed ~~\$3,330,000~~ *\$2,830,000* of administrative and operating expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To partially reimburse the Commodity Credit Corporation for net realized losses sustained during the fiscal year ending June 30, 1961, pursuant to the Act of August 17, 1961 (75 Stat. 391), ~~\$2,278,455.000~~ *\$2,066,955,000*.

1 REIMBURSEMENT FOR SPECIAL MILK PROGRAM

2 To reimburse the Commodity Credit Corporation for
3 amounts advanced for the fiscal year beginning July 1, 1961,
4 for the special milk program for children pursuant to the Act
5 of July 1, 1958, as amended (7 U.S.C. 1446; 75 Stat. 147-
6 148, 319), ~~\$105,000,000~~ \$95,000,000.

7 LIMITATION ON ADMINISTRATIVE EXPENSES

8 Nothing in this Act shall be so construed as to prevent
9 the Commodity Credit Corporation from carrying out any
10 activity or any program authorized by law: *Provided*, That
11 not to exceed ~~\$47,116,000~~ \$43,188,500 shall be available for
12 administrative expenses of the Corporation: *Provided further*,
13 That \$1,000,000 of this authorization shall be available only
14 to expand and strengthen the sales program of the Cor-
15 poration pursuant to authority contained in the Corporation's
16 charter: *Provided further*, That not less than 7 per centum
17 of this authorization shall be placed in reserve to be ap-
18 portioned pursuant to section 3679 of the Revised Statutes,
19 as amended, for use only in such amounts and at such
20 time as may become necessary to carry out program
21 operations: *Provided further*, That all necessary expenses
22 (including legal and special services performed on a contract
23 or fee basis, but not including other personal services) in
24 connection with the acquisition, operation, maintenance, im-
25 provement, or disposition of any real or personal property

1 belonging to the Corporation or in which it has an interest,
 2 including expenses of collections of pledge collateral, shall
 3 be considered as nonadministrative expenses for the purposes
 4 hereof.

5 TITLE IV—FOREIGN ASSISTANCE PROGRAMS

6 PUBLIC LAW 480

7 For expenses during fiscal year 1963, not otherwise
 8 recoverable, *and unrecovered prior years' costs, including*
 9 *interest thereon*, under the Agricultural Trade Development
 10 and Assistance Act of 1954, as amended (7 U.S.C. 1701–
 11 1709, 1721–1724, 1731–1736), to remain available until
 12 expended, as follows: (1) Sale of surplus agricultural com-
 13 modities for foreign currencies pursuant to title I of said Act,
 14 ~~\$1,080,632,000~~ \$700,000,000; (2) commodities disposed
 15 of for emergency famine relief to friendly peoples pursuant
 16 to title II of said Act, ~~\$250,000,000~~ \$189,000,000; and
 17 (3) long-term supply contracts pursuant to title IV of said
 18 Act, ~~\$40,000,000~~ \$50,000,000.

19 INTERNATIONAL WHEAT AGREEMENT

20 For expenses during fiscal year 1963 *unrecovered prior*
 21 *years' cost, including interest thereon*, under the International
 22 Wheat Agreement Act of 1949, as amended (7 U.S.C.
 23 1641–1642), ~~\$81,218,000~~ \$15,650,000, to remain available
 24 until expended.

1 BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

2 For expenses during fiscal year 1963 *unrecovered prior*
3 *years' costs* related to strategic and other materials acquired
4 as a result of barter or exchange of agricultural commodities
5 or products and transferred to the supplemental stockpile
6 pursuant to Public Law 540, Eighty-fourth Congress (7
7 U.S.C. 1856), ~~\$125,000,000~~ \$92,867,000, to remain avail-
8 able until expended.

9 TITLE V—RELATED AGENCIES

10 FARM CREDIT ADMINISTRATION

11 LIMITATION ON ADMINISTRATIVE EXPENSES

12 Not to exceed \$2,565,000 (from assessments collected
13 from farm credit agencies) shall be obligated during the cur-
14 rent fiscal year for administrative expenses.

15 TITLE VI—GENERAL PROVISIONS

16 SEC. 601. Within the unit limit of cost fixed by law,
17 appropriations and authorizations made for the Department
18 under this Act shall be available for the purchase, in addition
19 to those specifically provided for, of not to exceed four
20 hundred and seventy-six passenger motor vehicles, of which
21 four hundred and forty-three shall be for replacement only,
22 and for the hire of such vehicles.

23 SEC. 602. Provisions of law prohibiting or restricting the

1 employment of aliens shall not apply to employment under
2 the appropriation for the Foreign Agricultural Service.

3 SEC. 603. Funds available to the Department of Agricul-
4 ture shall be available for uniforms or allowances therefor as
5 authorized by the Act of September 1, 1954, as amended (5
6 U.S.C. 2131).

7 SEC. 604. No part of the funds appropriated by this Act
8 shall be used for the payment of any officer or employee of
9 the Department who, as such officer or employee, or on be-
10 half of the Department or any division, commission, or
11 bureau thereof, issues, or causes to be issued, any prediction,
12 oral or written, or forecast, except as to damage threatened
13 or caused by insects and pests, with respect to future prices
14 of cotton or the trend of same.

15 SEC. 605. Except to provide materials required in or
16 incident to research or experimental work where no suit-
17 able domestic product is available, no part of the funds ap-
18 propriated by this Act shall be expended in the purchase
19 of twine manufactured from commodities or materials pro-
20 duced outside of the United States.

21 SEC. 606. Not less than \$1,500,000 of the appropria-
22 tions of the Department for research and service work
23 authorized by the Acts of August 14, 1946, July 28, 1954,

1 and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42
2 U.S.C. 1891-1893), shall be available for contracting in
3 accordance with said Acts.

4 This Act may be cited as the "Department of Agricul-
5 ture and Related Agencies Appropriation Act, 1963".

Passed the House of Representatives July 25, 1962.

Attest:

RALPH R. ROBERTS,

Clerk.

[Report No. 1908]

AN ACT

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

JULY 27 (legislative day, JULY 26), 1962

Read twice and referred to the Committee on Appropriations

AUGUST 22, 1962

Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Aug. 27, 1962

For actions of Aug. 24 and 25, 1962
87th-2d, Nos. 151 & 152

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HIGHLIGHTS; Sen. Stennis urged additional appropriations for extension work and utilization research. Sen. Proxmire said government should pay cost of protecting milk against fallout. Senate subcommittee voted to report independent offices appropriation bill. Senate passed agricultural appropriation bill. Senate passed bill to authorize joint watershed surveys by USDA and Army. Sen. Proxmire urged caution in use of pesticides.

SENATE - August 24

1. MILK. Sen. Proxmire said the cost of protecting milk against fallout contamination should be born by the Federal Government and inserted an article on the problem. pp. 16466-7
2. APPROPRIATIONS. Sen. Stennis urged increased appropriations for the extension service and utilization research. pp. 16471-2
A subcommittee of the Appropriations Committee voted to report to the full committee H. R. 12711, the independent offices appropriation bill. p. D764
3. RECLAMATION. Concurred in the House amendments to S. 2008, to amend the act of Sept. 16, 1959, authorizing the construction, operation, and maintenance of the Spokane Valley project. This bill will now be sent to the President. p. 16470

4. TAXATION. Sens. Kuchel, Beall, and McCarthy submitted amendments intended to be proposed to H. R. 10650, the proposed Revenue Act of 1962. pp. 16378-9
Sen. Proxmire protested the investment credit provision in the tax bill and inserted an article, "The Investment Credit--The Opening of Another Loophole." pp. 16383-5
H. R. 10650, the proposed Revenue Act of 1962, was made the pending business of the Senate. pp. 16463-4
5. VETERANS. Began debate on S. 349, to provide readjustment assistance to veterans who serve in the Armed Forces between Jan. 31, 1955, and July 1, 1963. pp. 16405-13, 16427-43, 16449-60, 16461-4
6. PERSONNEL. The Commerce Committee reported with amendments S. Con. Res. 53, favoring travel by legislative and Government employees on U. S. air flag carriers (S. Rept. 1922). p. 16378
Passed without amendment S. 3319, to extend to certain employees in the Trust Territory of the Pacific Islands the benefits of the Federal Employees' Compensation Act. p. 16405
Sen. Javits inserted an article, "White House Urged To Use Compulsion in Negro Job Drive." pp. 16398-400
7. HOUSING. Sen. Williams, N. J., inserted a speech by the Assistant Administrator, Housing for Senior Citizens, Housing and Home Finance Agency, "Housing: Shelter, Showcase, or Living Environment." pp. 16390-3

SENATE - August 25

8. AGRICULTURAL APPROPRIATION BILL, 1963. Passed with amendments this bill, H. R. 12648 (pp. 16488, 16492-518). Conferees were appointed (p. 16518). Agreed to the committee amendments en bloc (pp. 16492-3). Agreed to an amendment by Sen. Russell to provide that \$30 million may be transferred from CCC funds for administrative expenses for the feed grain and wheat stabilization programs, contingent upon enactment of the farm bill, H. R. 12391 (p. 16493). Agreed to an amendment by Sen. Russell to raise the statutory building limitation from \$15,000 to \$25,000 so as to authorize the construction of one building by the Soil Conservation Service at a cost of not to exceed \$25,000 (p. 16493).
9. WATERSHEDS. Passed without amendment H. R. 3801, to authorize the Secretaries of the Army and Agriculture to make joint surveys and investigations of watershed areas for flood prevention or the conservation, development, utilization, and disposal of water. This bill will now be sent to the President. p. 16488
10. PESTICIDES. Sen. Proxmire discussed the side-effects and problems that have resulted from use of pesticides in California, "urged greater caution in the use of chemical poisons, and commended the "constructive attitude" of the Departments of Agriculture and Interior regarding the use of pesticides. pp. 16578-80
11. TAXATION. Began consideration of H. R. 10650, the proposed Revenue Act of 1962. pp. 16518, 16533-78
12. WATER POLLUTION. Sen. Monroney commended the establishment of a regional laboratory at Ada, Okla., to conduct research on water pollution problems. pp. 16484-7
13. COPYRIGHTS; PUBLICATIONS. Sen. Proxmire expressed his concern over "the increasing scope of copyright protection applied to writing and other material prepared at Government expense, or on the basis of information connected with Government employment." pp. 16580-1
14. ADJOURNED until Mon., Aug. 27. p. 16583

In January 1961 the committee's final report to Congress and to the Nation made this startling statement:

"The entire Nation is confronted by critical and complex water problems. Soaring needs, aggravated by spreading pollution, demand immediate action to insure the wise use of every drop of water. The price tag for progress in the next 20 years is estimated to be \$12 billion for new dams and reservoirs, and \$42 billion for new municipal and industrial waste treatment works. The ultimate answer lies in Federal-State cooperation for the full development of every major river basin. Such a giant effort should draw on all levels of government, and have the active support and understanding of an aroused public."

Now Senator KERR and his committee did not intend that their report should be simply another to stow away and gather dust in the archives. They categorized five major needs, one of these bore down heavily on research, and proceeded to promote the necessary action. At the National Conference on Water Pollution in December 1960, Senator KERR said:

"There is a crying need for funds for increased research. The time has long passed when any industrial or business organization, with any hope of survival or progress in the modern world, does not devote a substantial part of its budget to research. The job of pollution abatement, the task of providing usable drinking water for the teeming millions of Americans, today and tomorrow, comes under the head of big business, very big business. It is an enterprise and an effort in which every citizen has a stake. And yet the provisions for research have been, and are, woefully inadequate. In fact, thus far, research has been so inadequate that the problem of pollution elements not yet identified may be as serious as the one of neutralizing and handling the pollution known to exist. Greater research is an absolute necessity, not as a vehicle for passing the buck, nor as a justification for delay. It is necessary as a means to find ways to better abate pollution, and do it more rapidly and at less cost."

When the Congress convened last year, Senator KERR and others lost no time in dropping into the hamper new legislation to cover the needs pointed up by the select committee. Actually some 30 water bills were introduced in about as many days. And they found the Washington climate most receptive, both in the new administration and in the Congress.

Out of it all came epochal amendments to the Federal Water Pollution Control Act, signed into Public Law 87-88 by President Kennedy on July 20, 1961. It greatly broadened and strengthened the hand of the Federal Government to give financial assistance to cities and States, to enforce water pollution abatement, and to set up new research facilities. The new act authorized establishment of seven regional water pollution research laboratories, recognizing that problems vary from region to region. The first location announced for these laboratories was Ada, Okla.

The architectural firm of Coston, Frankfurt & Short, of Oklahoma City, is preparing plans for the building which will contain 50,000 square feet of laboratory and office space. It will be situated on the 312-acre tract comprising the south campus of East Central State College, near the log cabin birthplace of Senator KERR. The annual operating budget is estimated at one and a half million dollars. The facility will serve a vast area embracing all or parts of some 15 States comprising the basins of the Colorado and the lower Mississippi Rivers and all those in between.

Our staff here will number about 150, including some 100 of the country's expert water scientists, plus the necessary clerical,

stenographic, and custodial help. Where possible, we will recruit locally, but through the Federal civil service system. The new families who come here to live among you will be high caliber citizens who will contribute much to your community life and betterment—people who will want to help in school, church, and civic leadership, including, I hope, the chamber of commerce. We hope to move into the completed establishment by September 1964, and if that seems a long time, I suppose we can partly blame the traditional slow cutting of red-tape in Government affairs. Some of our personnel, however, will move in ahead of the ribbon-cutting ceremonies and will be stationed here gradually over the next 2 years.

Now, I think you might like to know some of the specific problems which we hope to solve in the regional research laboratories. I have indicated that many of these will be of regional origin and peculiar to the area served. Yet many will have to do with pollution problems which are similar the Nation over. Thus, we will in many cases be doing a nationwide service from our station here at Ada.

I have mentioned the salt pollution of the Ark-Red Basins. This problem exists in differing forms in other basins. For example, an extreme trouble area this year has been in the lower Colorado, where return-irrigation flows, with their heavy salt content, have created downstream a rather touchy situation.

Herbicides, pesticides, and fertilizers used in farming, synthetic chemicals, and radioactive materials from industrial and defense production, detergent foam from washing machines—all these are invading our waterways. They are pollutants which do not respond to today's known treatment processes. Some of these wastes are toxic, and we still don't know how the human body reacts to steady doses of them when they get into our drinking water.

You may have read in the papers that the year 1961 saw a record 73,000 cases of viral hepatitis in the United States. Some of these cases were traced to raw oysters and clams harvested in polluted waters along the gulf coast and also the Atlantic. But the disease was prevalent inland also, and there is reason to believe that some of the hepatitis cases came from contaminated waters. In our country over 17 million home septic tanks on relatively small lots pose a serious threat to the continued safety of ground water, so does inadequate disposal of effluents from community waste treatment plants or from the sewage treatment systems built for schools, hospitals, and other institutions. These conditions exist in a great many areas which have moved too quickly from rural to suburban status and where either greed or ignorance has given some real estate developers too free a hand. The movement of wastes infiltrating the ground water supply is wide open for new studies and research.

No one has yet determined the extent and effect of pollution accruing from the operation on our inland waters of the Nation's 8 million pleasure boats. Overboard sewage and garbage disposal from these is a growing problem. So is the exhaust from both inboard and outboard motors. The exhaust has been implicated in taste and odor problems in drinking water and in fish flesh coming from waters used heavily for boating.

In city after city, drinking water is less palatable as more and more chemicals are added to rid it of pollutants. In many States, miles of streams, bays, and estuaries are lost each year to fish and wildlife, to fishing, and swimming, because of unsightly, smelly, and actually dangerous sewage and industrial wastes clogging the water.

The list is long; the unanswered problems are many. The ones I have cited are typical

of some that will be studied here in Ada at the water pollution research laboratory. What our scientists do here may keep many of these problems from happening here. And in the long run, this group of scientists may have more to do with the economic growth and continued scenic beauty of Oklahoma and the Southwest than anything else.

President Kennedy has said the "New Frontier" in conservation rests in the application of the discoveries of science. This attitude was reflected in his address concluding the White House Conference on Conservation, held May 24-25, in Washington.

The early conservation leaders, Theodore Roosevelt, Gifford Pinchot, and Franklin Roosevelt, were concerned more with the preservation of natural resources against carelessness and exploitation. Their job was primarily to exercise the leadership and courage to do the things we already knew how to do. But, said President Kennedy, the challenge of the sixties, and our great contribution, is in "harnessing science to conservation."

I can think of no finer note on which to close, than to quote you these lines from Senator KERR's book, "Land, Wood, and Water":

"With * * * complete information, the people are in the best position to plan and promote the development of their rivers. This is done through their elected Representatives in Congress. This is democracy in action. I know the people of Oklahoma are on the march for our water program. They have demonstrated a keen awareness of the problem and willingness to do their part to solve it. This attitude has brought a favorable reaction in Washington, reinforcing the congressional drive for the needed funds * * *. This outstanding progress in Oklahoma and the region has attracted the attention of other States beset with water problems * * *. The national spotlight focuses on our region as water problems become more acute."

A LETTER FOR FREEDOM

Mr. MUNDT. Mr. President, a former Senator of South Dakota, James Kyle, is credited with the idea to set aside a day in tribute to the working men and women of America. His proposal resulted in the annual observance we are now celebrating, Labor Day.

As a present Senator from South Dakota, I would like to offer another suggestion, directed again to the working men and women of America, both within and without the trade union movement. Only this suggestion does not concern "action for" but "action by" the thousands of citizens of America who proudly claim affiliation as working force that keep this Nation moving forward.

Labor Day, as we know it and observe it, is set aside as both a day of rest and a day of homage. I propose that we add a third reason for our observance of this holiday. Let us make Labor Day a day of international brotherhood for freedom.

This is how I propose that we could add this individual observance to our Labor Day activities:

On Labor Day, sometime during the day, I suggest that every American sit down for only a few minutes and write a letter, to a friend, a relative, or even a stranger, who lives here in this country or who lives overseas.

In those few minutes, the letterwriter can put down on paper one or more

reasons why he or she is glad to be an American and what freedom really means to that person as an individual. Then send the letter off to whoever you wish as a "Labor Day Message for Freedom."

I think in this fashion, taking only a few minutes' time, we can put more meaning into an already meaningful day, helping others understand a little more what freedom means to us and also helping ourselves to appreciate a bit more the great blessing that has been bestowed upon our Nation and upon our people living in this free land, which stands as a beacon light of liberty to all the world.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

REVENUE ACT OF 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

Without objection, the Senate resumed the consideration of the bill (H.R. 10650) to amend the Internal Revenue Code of 1954 to provide a credit for investment in certain depreciable property, to eliminate certain defects and inequities, and for other purposes.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1963

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate may proceed to the consideration of Calendar No. 1871, the Department of Agriculture and related agencies appropriation bill, 1963.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

USE OF FUNDS ACQUIRED BY OWNERS OF BRIDGES ACROSS DELAWARE RIVER

Mr. MANSFIELD. Mr. President, with the concurrence of the membership of the Senate I should like at this time to have the Senate consider some measures on the calendar to which there is no objection.

I ask unanimous consent that the pending business may be temporarily laid

aside and that the Senate may proceed to the consideration of Calendar No. 1870.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 5604) to amend the acts of May 21, 1926, and January 25, 1927, relating to the construction of certain bridges across the Delaware River so as to authorize the use of certain funds acquired by the owners of such bridges for purposes not directly related to the maintenance and operation of such bridges and their approaches.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, the purpose of H.R. 5604 is to amend the acts of May 21, 1926 and January 25, 1927, which granted the consent of Congress for the construction of bridges across the Delaware River at Burlington and Palmyra, N.J., to provide that nothing contained therein shall be construed to prohibit any public agency, which now or hereafter may own such bridges and which has on hand, funds derived from sources other than toll revenues in excess of the amounts required for maintenance and reconstruction, from paying such surplus to the county of Burlington, N.J., for acquisition, construction, or improvement of county facilities, buildings, and roads.

The PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 5604) was ordered to a third reading, was read the third time, and passed.

JOINT INVESTIGATIONS AND SURVEYS OF WATERSHED AREAS FOR FLOOD PREVENTION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business may be temporarily laid aside and that the Senate may proceed to the consideration of Calendar No. 1872.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 3801) to authorize the Secretary of the Army and the Secretary of Agriculture to make joint investigations and surveys of watershed areas for flood prevention, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request by the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, the purpose of H.R. 3801 is to authorize and direct the Secretary of the Army and the Secretary of Agriculture, when called upon to do so by resolutions of the Committees on Public Works of the Senate or House of Representatives, to make joint investigations and surveys on river basins and watershed areas, and to pre-

pare joint reports, setting forth their recommendations for works of improvement for flood prevention or the conservation, development, utilization, and disposal of water, and for flood control and allied purposes.

The PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 3801) was ordered to a third reading, was read the third time, and passed.

U.S. NAVAL SUPPLY DEPOT, CLEARFIELD, OGDEN, UTAH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business may be temporarily laid aside and that the Senate may proceed to the consideration of Calendar No. 1874.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2421) to provide for retrocession of legislative jurisdiction over U.S. Naval Supply Depot Clearfield, Ogden, Utah.

The PRESIDENT pro tempore. Is there objection to the request by the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (S. 2421) to provide for retrocession of legislative jurisdiction over U.S. Naval Supply Depot, Clearfield, Ogden, Utah, which had been reported from the Committee on Armed Services, with an amendment on page 1, line 6, after the word "relinquishment," to strike out "or" and insert "of"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of the Navy may, at such times as he may deem desirable, relinquish to the State of Utah all, or such portion as he may deem desirable for relinquishment, of the jurisdiction heretofore acquired by the United States over any lands within the United States Naval Supply Depot Clearfield, Ogden, Utah, reserving to the United States such concurrent or partial jurisdiction as he may deem necessary. Relinquishment of jurisdiction under the authority of this Act may be made by filing with the Governor of the State of Utah a notice of such relinquishment, which shall take effect upon acceptance thereof by the State of Utah in such manner as its laws may prescribe.

Mr. MANSFIELD. Mr. President, the purpose of this bill is to relinquish to the State of Utah such of the jurisdiction heretofore acquired by the United States over the lands within the U.S. Naval Supply Depot Clearfield, Ogden, Utah, as the Secretary of the Navy may deem desirable. The bill would not impose any obligation to relinquish any jurisdiction to the State. The Secretary of the Navy would have complete discretion as to whether or not jurisdiction should be relinquished and, if so, whether or not relinquishment would apply to all or only a portion of the lands. The Secretary would also have the right to reserve to the United States such con-

which the district requires is estimated to be \$563,000. The estimated value of the privately owned land which the district will acquire for the 60-foot-wide tank trail right-of-way is \$16,250, extending 6 to 8 miles, totaling approximately 125 acres. The cost of constructing that portion of the tank road which is not on the Hunter-Liggett Military Reservation is estimated at \$580,000, making a total cost of the offbase portion of the tank road \$596,250. In addition, there will be other costs for replacement in kind, including moving, constructing, and improving the portion of the road on the reservation and relocating an Army communication line.

The construction of reservoirs to impound floodwaters that waste to the ocean will provide a supply of water to meet the foreseeable needs of the Salinas Valley and, at the same time, provide much needed flood protection of agriculture and municipal developments.

The first step toward solving the water problems of the Salinas Valley was the construction of Nacimiento Dam in 1957. This dam, with a capacity of 350,000 acre-feet, was built on the Nacimiento River tributary of the Salinas River at a cost of \$7 million, and was financed entirely with local funds.

The second step in this plan is the construction of the proposed San Antonio Dam on the San Antonio River, a tributary of the Salinas River, which will also be financed entirely with local funds with the exception of a grant by the State of California for statewide recreation benefits. Cost of this dam is estimated at \$12 million.

The third step is the construction of a canal from a diversion point on the Salinas River to the coastal area near Fort Ord, that is now contaminated by salt water. Construction of this canal cannot be initiated until San Antonio Dam is completed to insure a firm water supply for the canal.

Other more expensive dams of lesser priority are planned on other tributaries of the Salinas River, as the need arises.

Numerous benefits will be derived from the San Antonio project by local, State, and Federal interests.

To construct the project it is necessary that the required lands of Camp Hunter-Liggett become available to the district.

The local district is paying for the entire project, with the exception of a State grant for recreational purposes, no Federal funds are involved.

The PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 12091) was ordered to a third reading, was read the third time, and passed.

HYDRAULIC BRAKE FLUID FOR MOTOR VEHICLES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business may be temporarily laid aside and that the Senate may proceed to the consideration of Calendar No. 1882.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 2446) to provide that hydraulic brake fluid sold or shipped in commerce for use in motor vehicles should meet certain specifications prescribed by the Secretary of Commerce.

The PRESIDENT pro tempore. Is there objection to the request by the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. The bill would require that any hydraulic brake fluid manufactured for use in motor vehicles sold or shipped in commerce must meet standards to be set by the Secretary of Commerce.

The purpose of this legislation is to save lives, and improve highway safety.

The PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 2446) was ordered to a third reading, was read the third time, and passed.

NONJUDICIAL PUNISHMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business may be temporarily laid aside and that the Senate may proceed to the consideration of Calendar No. 1873.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 11257) to amend section 815, article 15, of title 10, United States Code, relating to nonjudicial punishment, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with an amendment, on page 2, line 7, after the word "demand", to insert "However, except in the case of a member attached to or embarked in a vessel, punishment may not be imposed upon any member of the armed forces under this article if the member has, before the imposition of such punishment, demanded trial by court-martial in lieu of such punishment."

Mr. MANSFIELD. Mr. President, the committee amendment provides that except for those who may be attached to or embarked in a vessel punishments may not be imposed under the new article 15 if the military member demands a trial by court-martial in lieu of the nonjudicial punishment.

The present language of the Uniform Code of Military Justice makes no provision for a trial by court-martial in lieu of nonjudicial punishment. Existing regulations, however, as contained in the Manual for Courts-Martial, provide that members of the Army and Air Force have the right to demand a trial by court-

martial in lieu of nonjudicial punishment prior to the imposition of the punishment. At the same time these regulations—paragraph 132—provide that no member of the Navy or Coast Guard may demand trial by court-martial in lieu of nonjudicial punishment. The bill extends to a considerable degree, as compared to existing law, the nonjudicial punishments which may be imposed by a commanding officer. Under such circumstances the committee feels that all military members, except those attached to or embarked in a vessel, should have the statutory right to demand a court-martial in lieu of accepting nonjudicial punishment. Except for the military members aboard ship, the effect of the committee amendment will be to continue the existing practice in the Army and Air Force and, at the same time, extend the right to members of the Navy, Marine Corps, and Coast Guard.

Because of testimony by the Navy, the right to demand a trial by court-martial in lieu of nonjudicial punishment was not extended to those aboard ship, in view of the unique responsibilities of the ship's captain and in the interest of maintaining morale and discipline aboard ship. Since it would be the ship's commander who would impose nonjudicial punishment, the right to demand a trial would involve, first, the question of maintaining discipline where a person aboard ship could refuse the punishment to be imposed by the commanding officer for minor infractions; and second, the matter of a court-martial being conducted by a junior officer appointed by the commanding officer to make a judgment on the same set of facts that have been considered by the commanding officer. The committee would like to emphasize that only in rare cases would it appear that personnel would demand a trial by court-martial. It would be expected that nonjudicial punishment would be accepted for most minor infractions.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, so far as military discipline is concerned, I think the measure is very important. Would the bill extend the power of commanding officers to what are known in the Navy as deck court-martials, in which the commanding officer can mete out punishment without the convening of a formal court-martial?

Mr. MANSFIELD. In effect, that is correct. But, as I understand the purpose of the bill, it would avoid the necessity of a court martial, and thereby would tend to keep the record of a man in the service more clear.

Mr. DOUGLAS. Mr. President, this is a very important matter.

Mr. MANSFIELD. The bill concerns minor infractions only.

Mr. DOUGLAS. It is a very important matter. A nice balance ought to be maintained between the need for military discipline and the protection of the rights of enlisted men particularly. In our Code of Military Justice we attempted to protect enlisted men from

the arbitrary use of power by commanding officers.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MANSFIELD. If a man in the service desires a court-martial, he can request it and get it. That applies to minor infractions which would tend to keep his record more clear and would do away with such procedures as deck courts-martial and the like to a degree.

Mr. DOUGLAS. Mr. President, I wonder if we could pass over the bill until the chairman of the Committee on Armed Services, who evidently drafted the bill, is here to explain it.

Mr. MANSFIELD. The chairman of the committee is present. But, if the Senator from Illinois will indulge me, I should like to read from the bill itself:

However, except in the case of a member attached to or embarked in a vessel, punishment may not be imposed upon any member of the armed forces under this article if the member has, before the imposition of such punishment, demanded trial by court-martial in lieu of such punishment.

Mr. RUSSELL. Mr. President, I understand that the bill would give servicemen benefits that they do not now enjoy. A serviceman would elect whether to be tried by a court-martial, a summary court, or a civilian court. If he wants a court-martial, he may get it. So many young men have been getting less than honorable discharges for minor offenses when they were tried by a court-martial, that it seemed to be in the interest of young servicemen to let them have so-called civilian trials, following which there would be a deduction from their pay. They would not be required to be discharged under conditions less than honorable.

Mr. DOUGLAS. Can the majority leader and the chairman assure me that an enlisted man would have the right of choice of either a deck court, as it is called, or a formal court-martial?

Mr. MANSFIELD. That is correct.

Mr. RUSSELL. It is not true in some cases where a ship is at sea. That never has been so. But the bill would give not only to the man in the Navy but the man in the Air Force and the man in the Army the right of election. The bill is intended to permit smaller penalties to be imposed for offenses that cannot be overlooked, but would protect the record of the young man in the service. The bill was very carefully considered in the House.

Mr. DOUGLAS. I thank the chairman. I withdraw my objection.

Mr. RUSSELL. A blue ribbon subcommittee, presided over by the distinguished Senator from North Carolina [Mr. ERVIN], went into the bill very carefully. The committee held hearings. Nothing is contained in the bill which was not offered with the intention of giving servicemen an option so that they could elect civilian punishment and avoid discharges under conditions less than honorable.

Mr. DOUGLAS. I think that is very valuable. I think perhaps we have made legislative history which the officials of the armed services should observe.

Mr. MANSFIELD. I thank the Senator.

The PRESIDENT pro tempore. The bill is open to further amendment. If there is no amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1963

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. RUSSELL obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Georgia yield briefly so that I may suggest the absence of a quorum?

Mr. RUSSELL. I am glad to yield for that purpose.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, that the bill as thus amended be considered as original text for the purpose of amendment, and that no points of order will be waived.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are, as follows:

On page 2, line 20, after the word "improvements", to strike out "and for acquisition of sites therefor by donation, exchange, or purchase at a nominal cost not to exceed \$100,".

On page 3, after line 8, to strike out:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, \$77,473,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a);"

And, in lieu thereof, to insert:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, \$106,126,500, including such amounts as may be necessary, notwithstanding the foregoing limitations, to remain available until expended, for the construction, alteration, and equipping of

facilities and acquisition of the necessary land therefor by purchase, donation or exchange: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a);"

On page 4, at the beginning of line 7, to strike out "\$56,330,500" and insert "\$59,180,500", and in line 11, after the word "conditions", to insert "*Provided*, That, \$150,000 shall be available, notwithstanding the foregoing limitations, for the construction and equipping of facilities and acquisition of the necessary land therefor by purchase, donation, or exchange: *Provided further*, That no funds shall be used to formulate or administer a brucellosis eradication program for fiscal year 1964 that does not require minimum matching by any State of at least 40 per centum."

On page 5, line 10, after the word "butter", to strike out "\$24,711,000" and insert "\$25,211,000".

On page 6, after line 21, to strike out:

"CONSTRUCTION OF FACILITIES

"For construction of facilities and acquisition of the necessary land therefor by purchase, donation or exchange, \$760,000, to remain available until expended."

On page 8, line 2, after "(7 U.S.C. 347a)", to strike out "\$59,020,000" and insert "\$62,020,000", and in line 5, after the word "all", to strike out "\$60,590,000" and insert "\$63,590,000".

On page 8, line 13, after the word "employees", to strike out "\$6,605,000" and insert "\$7,105,000".

On page 8, line 23, after the word "possession", to strike out "\$2,464,500" and insert "\$2,724,500".

On page 9, line 4, after "(7 U.S.C. 451-457)", to strike out "\$657,000" and insert "\$707,000".

On page 9, line 16, after the word "aircraft", to strike out "\$90,280,000" and insert "\$90,825,000".

On page 11, line 23, after the word "expended", to strike out "\$25,000,000" and insert "\$24,000,000".

On page 12, at the beginning of line 14, to strike out "\$12,000,000" and insert "\$12,500,000".

On page 13, line 7, after the word "products", to strike out "\$9,410,000" and insert "\$9,910,000".

On page 14, line 3, after the word "laws", to strike out "\$9,518,000" and insert "\$9,693,000".

On page 15, at the beginning of line 3, to strike out "\$38,857,000" and insert "\$40,107,000".

On page 15, after line 11, to insert:

"CONSTRUCTION OF FACILITIES

"For construction of facilities and acquisition of the necessary land therefor, as authorized by law, \$1,600,000 to remain available until expended."

On page 15, line 20, after "(7 U.S.C. 1623 (b))", to strike out "\$1,325,000" and insert "\$1,425,000".

On page 16, line 10, after the word "Act", to strike out the colon and "*Provided further*, That for the purpose of providing additional assistance based on program participation and needs in the States as may be necessary to aid in meeting the nutritional and other requirements of section 9 of the Act, not to exceed \$10,000,000 of this appropriation shall be available for commodity assistance under section 6 of the Act, in addition to amounts normally expended for commodity procurement under that section, under such regulations as the Secretary may prescribe".

On page 17, line 5, after "(7 U.S.C. 1766)", to strike out "\$16,145,000" and insert "\$16,895,000".

On page 17, after line 17, to strike out:

"For purchase of foreign currencies which accrue under title I of the Agricultural Trade

Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development activities authorized by section 104(a) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(a)), \$4,000,000, to remain available until expended: *Provided*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses: *Provided further*, That this appropriation shall be available, in addition to other appropriations for these purposes, for the purchase of the foregoing currencies."

And, in lieu thereof, to insert:

"For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes of market development activities under section 104(a) of that Act, \$4,000,000 to remain available until expended: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

On page 19, after line 7, to strike out:

"ACREAGE ALLOTMENTS AND MARKETING QUOTAS

"For necessary expenses to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393), \$44,098,000, of which not more than \$7,125,000 shall be transferred to the appropriation account 'Administrative expenses, section 392, Agricultural Adjustment Act of 1938.'"

And, in lieu thereof, to insert:

"EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

"For necessary administrative expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948 (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590o, 490p(a), and 590(q) as added by section 132 of the Act of August 8, 1961; and subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816) \$95,423,000: *Provided*, That, in addition, not to exceed \$51,379,500 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund."

On page 20, at the beginning of line 9, to strike out "\$80,000,000" and insert "\$77,650,000", and in line 10, after the word "year", to strike out the colon and "*Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$2,350,000."

On page 20, line 22, after the word "States", to strike out "\$242,000,000" and insert "\$212,900,000"; on page 21, line 3, after the word "*Provided*," to strike out "That not to exceed \$29,100,000 of the total sum provided under this head shall be available during the current fiscal year for administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,750,000 shall be transferred to the appropriation account 'Admin-

istrative expenses, section 392, Agricultural Adjustment Act of 1938': *Provided further*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That, no portion of the funds for the 1963 program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Service Circular 39, Wetlands of the United States, 1956: *Provided further*,"; in line 2, after the word "That", to strike out "such" and insert "necessary"; and on page 22, at the beginning of line 3, to strike out "including administration."

On page 23, line 25, after the word "expended", to strike out "\$300,000,000" and insert "\$305,000,000", and on page 24, line 3, after the word "*Provided*," to strike out "That not to exceed \$9,875,000 shall be available for administrative expenses, of which not less than \$8,000,000 may be transferred to the appropriation account 'Local administration, section 388, Agricultural Adjustment Act of 1938': *Provided further*,".

On page 24, after line 10, to strike out:

"SPECIAL AGRICULTURAL CONSERVATION AND ADJUSTMENT PROGRAMS

"For necessary administrative expenses to carry into effect a special agricultural conservation program pursuant to section 16(d) of the Soil Conservation and Domestic Allotment Act, as added by section 132 of the Act of August 8, 1961 (75 Stat. 302), and a special wheat program pursuant to section 124 of such Act, \$15,000,000."

On page 24, line 23, after the word "service", to strike out "\$3,645,000" and insert "\$3,695,000".

On page 26, line 4, after the word "Library", to strike out "\$1,028,500" and insert "\$1,153,500".

On page 26, line 13, after the word "Agriculture", to strike out "\$3,506,000" and insert "\$3,256,000", and in line 20, after the word "Secretary", to insert a colon and "*Provided further*, That not to exceed \$225,000 may be transferred by the Secretary from other appropriations available to the Department of Agriculture for the expenses of the Office of Internal Audit and Inspection."

On page 28, line 9, after the word "loans", to strike out "\$275,000,000" and insert "\$290,000,000, of which \$50,000,000 shall be placed in reserve to be used only to the extent required during the fiscal year 1963 under the then existing conditions for the expeditious and orderly conduct of the loan program."

On page 28, line 21, after "(40 U.S.C. 440-444)", to strike out "\$34,382,000" and insert "\$34,582,000".

On page 29, line 14, after the word "expense", to strike out "\$6,549,000" and insert "\$7,049,000".

On page 29, line 17, after the word "exceed", to strike out "\$3,330,000" and insert "\$2,830,000".

On page 29, line 24, after "(75 Stat. 391)", to strike out "\$2,278,455,000" and insert "\$2,066,955,000".

On page 30, line 6, after "(7 U.S.C. 1446; 75 Stat. 147-148, 319)", to strike out "\$105,000,000" and insert "\$95,000,000".

On page 30, line 11, after the word "exceed", to strike out "\$47,116,000" and insert "\$43,183,500".

On page 31, line 8, after the word "recoverable", to insert "and unrecovered prior years' costs, including interest thereon,"; at the beginning of line 14, to strike out "\$1,080,632,000" and insert "\$700,000,000"; in line 16, after the word "Act", to strike out "\$250,000,000" and insert "\$189,000,000"; and

in line 18, after the word "Act", to strike out "\$40,000,000" and insert "\$50,000,000".

On page 31, line 20, after the word "For", to strike out "expenses during fiscal year 1963" and insert "unrecovered prior years' cost, including interest thereon," and in line 23, after "(7 U.S.C. 1641-1642)", to strike out "\$81,218,000" and insert "\$15,650,000".

On page 32, line 2, after the word "For", to strike out "expenses during fiscal year 1963" and insert "unrecovered prior years' costs", and in line 7, after "(7 U.S.C. 1856)", to strike out "\$125,000,000" and insert "\$92,867,000".

Mr. RUSSELL. Mr. President, we have been advised that if that bill is enacted it will require a substantial increase in the administrative expenses for fiscal 1963 for the feed grain and the wheat stabilization programs. That includes the wheat certificate program. The Department suggested the sum of \$30,332,000 would be needed for these programs. In order to bring all these expenses under the appropriation procedure, as the committee had attempted to do with the other administrative expense items, I submit an amendment to the committee amendment already adopted on page 20, line 5, after the word "fund" to insert: ", and additional amounts not to exceed \$30,000,000, may be transferred contingent upon the enactment of H.R. 12391, Food and Agricultural Act of 1962".

I ask that the amendment be adopted under the conditions applying to the other amendments, which have already been approved.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 20, line 5, after the word "fund" insert ", and additional amounts not to exceed \$30,000,000, may be transferred contingent upon the enactment of H.R. 12391, Food and Agriculture Act of 1962".

Mr. RUSSELL. Mr. President, since the full committee has taken action on the bill, events have made necessary the offering of another amendment. The Senate passed and sent to the other body a substitute for H.R. 12391, the Food and Agriculture Act of 1962.

The committee also reported an item of \$100,000 to improve the Plant Material Centers at Tucson, Ariz., Americus, Ga., and Maui, Hawaii.

It develops that it is necessary to raise the statutory building limitation from \$15,000 to \$25,000 for the construction of one building in this program, and it is estimated that the cost will be more than \$15,000.

I therefore offer an amendment, at page 9, line 22, after the phrase "except for," to insert "one building to be constructed at a cost not to exceed \$25,000 and".

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. RUSSELL. Mr. President, before I start with my explanation of the bill, I wish to advert to page 6 of the committee report, which has to do with the recommendations of the Budget Bureau and action by the other body on poultry research facilities. The committee had

directed that the work be done where there was space at the National Disease Laboratory, at Ames, Iowa, and that the work at East Lansing, Mich., be phased out.

A number of matters have been brought to my attention since the action of the committee, of which I was not apprised at the time the committee acted. The senior Senator from Michigan [Mr. McNAMARA] has had a number of conferences with me in regard to this situation. I have been advised that this work is already being done in connection with one of the large drug companies. I did not feel justified in changing the action of the committee without consulting the members of the committee, but I did assure the Senator from Michigan that I would state on the floor that, in the light of the newly developed information, I would be glad to suggest to the Senate conferees that the Senate recede and accept the proposal of the House with reference to this research.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG of North Dakota. I am very happy the Senator has taken the position he has stated. I now have considerably more information on this subject from people who are interested in this type of research. After I received that information I came to the conclusion that the research should be carried on where it is presently being done, in Michigan. They are equipped to do it, and they have the personnel there to handle it. Besides, they are receiving a large contribution from some doctors, drug people and others concerned in this program.

Mr. RUSSELL. The Senator from North Dakota will be a conferee on the bill. He heard what I said. I am glad to have the Senator's statement. The Senator from North Dakota is usually better informed than almost any other Member of this body on matters that are affected by this agricultural appropriation bill.

I now desire to make a brief statement in regard to the bill.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ROBERTSON. Before the distinguished Senator from Georgia makes a statement on the technicalities of a rather long and very important bill, I wish to take this opportunity to commend him for the fine work he has done in preparing the bill. It has been my happy privilege to serve for a number of years on the subcommittee of the Appropriations Committee which handles the annual supply bill for the Department of Agriculture.

My distinguished friend from Georgia is the chairman of that subcommittee. I have found that there is no Member of the Senate who is more conversant than he with the problems confronting our farmers. They are serious problems. I have found him to be sympathetic to those problems. I found him to be progressive in his attitude toward the solution of those problems, but without in-

dulging in any extravagance that might be referred to under the heading of political expediency.

I believe Senators will find, when he presents the bill, which is under the House figure and under the budget estimate, but still has some increases over the House figures in certain essential fields, that the Senator from Georgia has indeed done a work of real master craftsmanship in the practical art of politics, which is the bringing in of an appropriation bill designed in a practical way to meet the needs of the farmers.

I wish to make one comment about one action the committee took. It eliminated the Reuss amendment which put a limitation on expenditures for the soil conservation fund for the drainage of potholes in the Dakotas and Minnesota. The members of the committee are very much concerned with the problem concerning migratory birds, especially ducks. The recent census shows that the supply this fall of these birds will be the lowest during the 11 years since the censuses have been taken. In other words, it will be the lowest since we took this country from the Indians.

There should be no shooting of ducks this fall, but we are committed to the revenue from the duck stamp. The Department will make a statement on some kind of season this year, although it has not declared yet how long it will be or what the bag limit will be; however, some season will be declared.

I hope and pray that duck hunters will not hunt ducks this season. I refused to go duck hunting last year, because the supply was so small; I therefore did not have the heart to cut down the brood stock. This fall there will be a 17-percent decrease from what there was last year.

Some years ago I went down to the Smithsonian Institution to see the last two passenger pigeons which were killed in this area. The last two, Mr. President. They were killed in 1887, 75 years ago. One hundred years ago the supply of passenger pigeons was so large that they darkened the sky like a great cloud. They are all gone now. In the last hundred years we have destroyed completely 1,200 different species of birds. I would say that one of our greatest resources is ducks. They used to be plentiful, but now they are threatened. So when we took out of this bill authority to contribute up to \$18 an acre to drain potholes, and, after they were drained to put them into production, to pay \$20 an acre not to produce on such acres, it was because the Senate had passed a similar House bill, and that carried a Senate amendment which we thought was better than the Reuss limitation on an appropriation.

In addition, the bill passed by the Senate last Thursday and sent to the House will apparently be passed without any objection, and become permanent legislation, whereas this provision would be effective only for 1 year as a limitation on that year's appropriation.

Mr. RUSSELL. The Senator has stated the matter correctly, with the exception of his very lavish praise for the

chairman of the subcommittee, with which he introduced his remarks.

Mr. ROBERTSON. Those were the truest words uttered by the Senator from Virginia.

Mr. RUSSELL. I appreciate the Senator's generosity.

This item was eliminated from the bill because of the fact that there was permanent legislation pending which was more far reaching, and established more definite standards. Such legislation was reported by the standing Committee on Agriculture and Forestry, and has passed the Senate. It was understood in the committee that if anything should happen to this legislation along the way to prevent its enactment into law, the Senate conferees would recede on this item.

Mr. YOUNG of North Dakota. Madam President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG of North Dakota. I believe that the House bill which the Senate passed on Thursday, August 23, goes far enough in this direction. I should like to submit for printing in the Record at this point a statement and explanation with regard to that bill, which appears on page 16289 of the CONGRESSIONAL RECORD for August 23, 1962.

Mr. RUSSELL. Madam President, I have no objection.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Is there objection to the request of the Senator from North Dakota?

There being no objection, the statement was ordered to be printed in the Record, as follows:

That the Soil Conservation and Domestic Allotment Act, as amended, is further amended by inserting after section 16 thereof the following new section:

"Sec. 16A. The Secretary of Agriculture shall not enter into an agreement in the States of North Dakota, South Dakota, and Minnesota to provide financial or technical assistance for wetland drainage on a farm under authority of this Act, if the Secretary of the Interior has made a finding that wildlife preservation will be materially harmed on that farm by such drainage and that preservation of such land in its undrained status will materially contribute to wildlife preservation and such finding, identifying specifically the farm and the land on that farm with respect to which the finding was made, has been filed with the Secretary of Agriculture within ninety days after the filing of the application for drainage assistance: *Provided*, That the limitation against furnishing such financial or technical assistance shall terminate (1) at such time as the Secretary of the Interior notifies the Secretary of Agriculture that such limitation should not be applicable, (2) one year after the date on which the adverse finding of the Secretary of the Interior was filed unless during that time an offer has been made by the Secretary of the Interior or a State government agency to lease or to purchase the wetland area from the owner thereof as a waterfowl resource, or (3) five years after the date on which such adverse finding was filed if such an offer to lease or to purchase such wetland area has not been accepted by the owner thereof: *Provided further*, That upon any change in the ownership of the land with respect to which such adverse finding was filed, the eligibility of such land for such financial or technical assistance shall be redetermined in accordance with the provisions of this section."

Mr. KUCHEL. Madam President, will the Senator yield?

Mr. RUSSELL. I now yield to the distinguished minority whip.

Mr. KUCHEL. If the distinguished Senator from Virginia [Mr. ROBERTSON] will lend me his attention for a moment, I do not rise in any sense to challenge the comments which my able friend from Virginia made, except affirmatively to point out that they do not apply to the Pacific coast flyway. I am sure he will agree with me in that conclusion.

Mr. ROBERTSON. I agree, with a modification. That area has a few more ducks than we have, but not nearly enough.

Mr. KUCHEL. I am glad to have the Senator's agreement, but I categorically reject his modification.

INTRODUCTORY STATEMENT

Mr. RUSSELL. Madam President, I wish now to proceed with a brief statement outlining the provisions of the bill.

This is the annual supply bill for the Department of Agriculture. It is not generally realized that the programs carried out by the Department of Agriculture have direct and widespread benefits to all segments of our nation, and are not limited to agriculture. The activities of this Department make significant and substantial contributions to consumers, industry, trade, commerce, and our foreign policy, as well as to the welfare of the general public.

American agriculture has been an outstanding success in its contribution to the continuing development of our economy and high standard of living. The present efficiency of American agriculture must not blind us to the unfinished work and requirements which lie ahead. There are many problems still facing Agriculture and the Nation generally, and the world, and to solve these problems we must continue to provide adequate financing to the Department of Agriculture not only to help farmers receive a fair share of the wealth that they produce, but also to make further contributions to the health and well-being of American consumers and contribute to the strengthening of our entire economy.

GENERAL STATEMENT

The magnitude of the agricultural appropriations bill has increased in recent years, and this is largely due to the costs of the farm program, and to the operations under what is referred to as Public Law 480.

In total, the bill before the Senate recommends appropriations of \$4,774,983,000. This is a decrease of \$700,859,500 under the bill as it came from the other body; the bill as reported is \$1,211,806,500 under the appropriations for 1962, and it is \$1,579,800,000 under the estimates considered for 1963.

This bill also carries \$3,209,472,000 to reimburse the Commodity Credit Corporation for program costs authorized by various laws. The regular reimbursement to the Commodity Credit Corporation for realized losses under the price support and related programs, for fiscal year 1961 is \$2,066,955,000. In addition,

\$95 million is carried to reimburse the Corporation for the 1962 costs of the special milk program. The special milk program is now carried on a regular appropriation basis in this bill.

The committee has denied the budget proposal to reimburse the Corporation for \$423 million, which is one-third of the revaluation of inventory loss amounting to \$1,268,546,877. The committee believes that the full amount of this revaluation cost should be presented and considered as a separate item at the appropriate time.

FOREIGN ASSISTANCE PROGRAMS

The bill also carries \$1,047,517,000 to reimburse the Commodity Credit Corporation for costs in carrying out Public Law 480 activities, including sales for foreign currencies, emergency famine relief, and long-term supply contracts. Under this general heading are also included expenses for the International Wheat Agreement and bartered materials for the supplement stockpile. As the bill came to the committee, it provided \$1,576,850,000 for these various items but denied the unrecovered costs for 1962, amounting to \$384,885,000.

Last year, as Senators will recall, the committee agreed to the proposal for advance reimbursement appropriations totaling \$1,600 million for these programs. As indicated, their total cost for 1962 amounted to \$1,924,885,000, including the amounts carried in this bill.

These programs are authorized by specific legislative enactments, and have usually been reimbursed on a realized cost basis. The committee believes it unwise to continue these large advance reimbursement appropriations, and has recommended reductions in these items. The bill provides \$1,047,517,000 for these purposes, and still provides \$662,632,000 for advance reimbursements for costs incurred under some of these programs for 1963. The committee believes that the amounts provided will be adequate for this calendar year.

GENERAL ACTIVITIES

For the general activities and credit agencies of the Department under titles I and II of the bill the committee recommends an appropriation of \$1,588,462,000. This is an increase of \$147,781,500 over 1962 and an increase of \$49,473,500 over the bill as it came from the other body, but is still \$6,931,000 under the budget request.

PAYMENTS FOR EXTENSION AND COOPERATIVE STATE EXPERIMENT STATION RESEARCH

The bill carries an appropriation of \$63,590,000 for payments to States for the Extension Service. This amount is \$4 million over the 1962 level for payments to county extension workers, and is an increase of \$3,500,000 over the budget request and the amount in the bill as it came to the committee.

For the payments to the States for cooperative research under the Federal grant program, the bill carries \$38,207,000. This is an increase of \$2 million over 1962, as requested in the budget and provided by the other body.

AGRICULTURAL RESEARCH SERVICE PROGRAMS

I want to make a few comments with regard to the Agricultural Research

Service. For plant and animal disease and pest control the committee restored the full budget estimate of \$3 million to initiate the hog cholera eradication program which was authorized by law, last year. As I recall, the bill was introduced by my distinguished colleague, the Senator from Georgia [Mr. TALMADGE].

This is a cooperative program, and the committee believes that the full amount should be provided. Most of the other small increases requested in the budget are provided for plant quarantine and regulatory activities.

The committee restored the budget estimate for the meat inspection service, totaling \$25,211,000, and is \$1 million more than the amount allowed for the meat inspection program in fiscal 1962.

For research conducted by the Agricultural Research Service, the committee has made a number of changes over the bill as it came to us, totaling \$28,653,500. The committee merged with this item "Construction of Facilities."

UTILIZATION RESEARCH PROGRAM

The principal increase made by the committee was to provide an increase of \$25 million to initiate a concerted, and greatly expanded, program on utilization research and development. The committee report deals with this item in some detail. I ask unanimous consent that an excerpt from the committee report, beginning at the bottom of page 6 and ending at the top of page 8, dealing with this subject, be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

UTILIZATION RESEARCH AND DEVELOPMENT PROGRAM

The story of American agriculture is one of the outstanding success stories of modern times. But the success is marred by the channeling of much of our agricultural production into Government storage or into disposal abroad at an economic loss to the Nation. To meet this problem, various farm programs have been enacted into law over the years, costing us, during the last 10 years, over \$26.2 billion, and the Department has on hand, as of now, an inventory of \$4,286,507,000. The Senate has just passed another farm bill dealing with this problem. Many unexploited opportunities presently exist for utilizing our surplus production through research and development of new uses for these commodities.

The Agricultural Research Service has been conducting for many years a program of utilization research and development to find new food, feed, and industrial uses for farm products. This research, though limited, has been very successful in providing additional markets for commodities that otherwise would have further contributed to the expensive Government storage and disposal programs.

The need to expand utilization research to find new and improved uses and markets, particularly industrial uses and markets for agricultural commodities and products, is increasingly evident. In the supplement to the Senate hearings on this bill the following statement appears on page 21, and points out, as follows:

In its two decades of operation, USDA utilization research and development has added over \$2.5 billion of value to farm commodities at a cost of less than \$200 million—representing a benefit-to-cost ratio of 15 to 1. Although there has been an increasing cost per man-year of research

throughout this period, this continuing program of fundamental research and applied technology has resulted in spiraling advantages, with each succeeding year giving more return per year for the total expenditure. For example, during the past 5 years utilization research enhanced agricultural commodities \$1.75 billion, which is 70 percent of the total gain made in the two decades of this program. This increasing rate of return is expected to continue, as the storehouse of scientific and technologic information is accumulated.

The committee believes it is clearly evident that an all-out effort should be made to greatly expand and accelerate potential uses for agricultural commodities. Present expenditures of about \$18,573,000 annually by the agency are infinitesimal in view of these vast expenditures to acquire, store, handle, and dispose of these surpluses.

The committee has recommended an increase of \$25 million for the initiation of a concerted research program to develop new uses for agricultural commodities. This \$25 million is to be allocated with considerable discretion by the Secretary of Agriculture for the purpose of accelerating utilization research through agreements and contracts with private organizations and firms and to improve, construct, and staff such research facilities; as well as to take such other steps as may be necessary to carry out a greatly accelerated research program.

In the last 10 years, Federal expenditures for surplus commodities have kept mounting as productivity on farms has increased. Every effort has been made to export and to practically give away these commodities. It appears that these large surpluses will continue to be with us for some time, and the committee believes that one solution to this problem—and it involves a very small expenditure of funds in comparison with the costs of all of these programs—is to embark upon an accelerated all-out utilization research program. The committee recommends, without any earmarking of funds, that in this accelerated research program attention be given to the desert grapefruit and grapefruit products, to grapes, and any acceleration needed on flax and flaxseed. The committee expects the Department to keep it informed periodically on plans and progress made under the accelerated utilization research program.

MARKETING AND SCHOOL LUNCH PROGRAMS

Mr. RUSSELL. For the inspection, research, and regulatory activities of the Agricultural Marketing Service, the bill provides \$40,107,000, including the full budget request for mandatory poultry inspection.

An appropriation of \$1,600,000 is carried in the bill to provide adequate facilities for carrying on marketing research on peanuts as justified by the Department before the Appropriation Committees.

The committee bill provides a total of \$20,895,000 to finance the activities of the Foreign Agricultural Service. This is an increase of \$5 million over last year in direct appropriations. The increases are to accelerate market development activities.

The bill provides appropriations totaling \$230 million for school lunch, 125, and the special milk program, 105, which is placed on a direct appropriation beginning this year. In addition, \$130 million of commodities are furnished to the program by section 6 purchases, by section 32 transfer, and by donations from

inventories. We anticipate that there will be approximately \$100 million of donations from inventories of the Commodity Credit Corporation, as there have been each year in the past.

APPROPRIATION PROCEDURES

The committee has instituted in this bill a change in appropriation procedures for the farm programs administered by the Agricultural Stabilization and Conservation Service. Heretofore, these programs have been financed by direct appropriations and by limitations within appropriation items as well as by transfers from other agencies. The committee has proposed to merge all of these administrative expense costs into a single item, and recommends an appropriation of \$95,423,000 for this purpose. This is only \$5 million below the amounts requested in the budget estimates for these purposes and provided by the other body. In addition, a provision has been inserted authorizing the transfer from Commodity Credit Corporation funds of \$81,379,500—this includes the amounts of the estimates to which the Senate agreed a few minutes ago—for use by the Agricultural Stabilization and Conservation Service in carrying out storage and price support activities.

In setting up this one appropriation account, the committee has reduced the amounts of appropriations for the Agricultural Conservation Program and for the Sugar Act, and made the full amount of \$305 million for the Conservation Reserve available for program payments. It is believed this procedure will contribute to administrative savings. We believe this procedure of consolidating these expense accounts will result in considerable savings, and I know it will enable Congress and the public to have a much clearer idea of just what is involved in the administration of the farm program.

Mr. YOUNG of North Dakota. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I am glad to yield.

Mr. YOUNG of North Dakota. I believe this proposal as proposed by the Senator from Georgia is a good step forward. Presently the county committees have to deal with several accounts from which their employee salaries are paid. If their salaries would come under one lump-sum item, I think it will be possible to eliminate some of the personnel and duplication.

Mr. RUSSELL. I thank the Senator from North Dakota for his statement. I certainly am hopeful that this will result in substantial savings, at least in the administrative costs involved, inasmuch as in the past it has been necessary to try to make such payments from four or five different funds to a single individual for doing the administrative work.

This saving has been made with the assistance of the distinguished Senator from North Dakota [Mr. Young], who in the days when the other party was in the majority presided with great distinction as chairman of this subcommittee.

Mr. YOUNG of North Dakota. I thank the Senator very much.

SOIL CONSERVATION PROGRAMS

Mr. RUSSELL. The bill carries an advance authorization of \$250 million for the 1963 agricultural conservation program. This is the same amount as the 1962 program authorized last year.

For the soil and water conservation programs administered by the Soil Conservation Service, a total of \$187,910,000 is recommended in the bill. This is an increase of \$9,632,000 over 1962 for these important conservation activities.

CREDIT PROGRAMS

The committee recommends loan authorizations totaling \$340 million for the lending programs administered by the Farmers Home Administration under the "direct loan account" authorized in the Agricultural Appropriation Act, 1961. An authorization of \$290 million is provided for farm operating loans, which is \$15 million over the budget request and carried in the bill as it came from the other body. An authorization of \$50 million is carried for real estate loans, of which \$40 million is for farm ownership loans and \$10 million for soil and water conservation loans.

For the programs administered by the Rural Electrification Administration a total of \$480 million authorization is provided, of which \$100 million is placed in a contingency reserve. These authorizations are the full amount and as requested in the revised budget.

The committee has, however, been concerned about the controversy which has developed with regard to generation and transmission loans, and has suggested that the Committee on Agriculture and Forestry may wish to carefully reexamine this aspect of the program.

In the consideration of the bill, several members of the Appropriations Committee and also some of the members of the Committee on Agriculture and Forestry expressed deep concern over the controversy which had developed in regard to generation and transmission loans. It was moved—and a statement was inserted in the report—that the Secretary might wish to recognize this matter, and it was also suggested that the Committee on Agriculture and Forestry may wish carefully to reexamine this aspect of the program.

UTILIZATION RESEARCH

Madam President, at this point I wish to make a statement with particular regard to the \$25 million increase in the utilization research work. We in this country today occupy a very unusual position, because, Madam President, throughout all of human history mankind has been compelled to wage a constant struggle to produce sufficient food and fiber to assure his existence. Ours is the only civilization known to man that has been faced over a period of years with the serious problem of dealing with more food than our people can eat and more fiber than they can utilize for clothing.

One of the great miracles of the present era has been the record increase of production with fewer hands at work by American agriculture.

Our production has been so great that we have been the breadbasket for hungry people of almost every country, both old and new, in every conceivable corner of the globe.

Despite the fact that we have given or sold for soft currencies—which are of little practical value to us—many billions of dollars of food and fiber, we are still confronted with tremendous surpluses.

The program of disposal has been costly. Nearly a billion dollars has been expended on freight charges alone—to transport these vast quantities of food and fiber, to deliver them to their recipients all over the world. We are paying almost \$2 million each and every day for storage costs.

This record production by less than 10 percent of our people is a great tribute to the magnificent work that has been done in the field of production research since the establishment of the Department of Agriculture.

The problems of surpluses did not become so serious until comparatively recent years and research designed to provide for the utilization of these surpluses has lagged far behind the research in improved production.

The utilization research program of the Department of Agriculture has been limited but, with the means at its disposal, it has done a splendid job in discovering new methods of using our surplus production for the benefit of all of our citizens.

The committee has sought to find an answer that would at least in part, solve the problem of what to do with all of these surplus agricultural products.

We have recommended an increase of \$25 million for the initiation of an accelerated research program to develop new uses for agricultural commodities. We must find some means, other than almost forcing these commodities upon the people of other lands, without any return in tax dollars. We must turn some of these tax-purchased surpluses into commodities for the use and benefit of the American people. The \$25 million sought is minute indeed when compared with the total spent and lost by the Government in the last 10 years in handling surplus commodities.

This appropriation increase would be used, with wide discretion by the Secretary of Agriculture, for accelerating utilization research through agreements and contracts with private organizations and firms, to improve and construct research facilities as needed, and to take such other steps as may be necessary to carry out a greatly intensified research program.

One of the best solutions at hand for our problems of mounting surpluses is to begin and begin at once this faster paced program of utilization research to develop and determine the means by which the people of this country can enjoy the cornucopia of prosperity which is ours because of the ingenuity, aggressiveness, and determination of our farmers and of our blessed land.

We all recognize that we live in an age of science. American agriculture—the most productive and efficient in the

world—is a product of our scientific development.

Our farm abundance today is based squarely on the results of a hundred years of farm production research. This research has given us the great variety and high quality of our agricultural products. Because of research, less than one-tenth of our total labor force, working on the land, can feed all our people. Largely because of farm production research, the average family in this country enjoys a varied and healthful diet at a cost of only about one-fifth of the family's take-home pay.

But research to find new uses and wider markets for our agricultural abundance—what we call utilization research—has lagged far behind the production research that has made our abundance possible.

Utilization research did not begin in earnest until about 1940—or some 80 years after the need for farm production research was recognized through the establishment of the Department of Agriculture and the land-grant colleges. Over the last 20 years, utilization research, to find new uses and wider markets for farm products, has received only a fraction of the support which we have continued to give to production research.

I am not critical of the success of our production research. Without the means found to reduce costs of production, American agriculture would have been destroyed. But the success we have achieved in production research demonstrates the importance of increasing our search for new uses for farm products. The reasons for this are twofold:

First, though only limited effort has been devoted so far to utilization research, it has clearly demonstrated its value. The benefits of this research to the Nation have already far exceeded its cost.

Second, our scientists engaged in this effort clearly see opportunities that additional utilization research can exploit for the benefit of the national economy and all our people.

During two decades of operation, utilization research by the Department of Agriculture added more than \$2.5 billions in value to farm commodities of many kinds, at a cost in Federal funds of less than \$200 million. This means that each dollar of utilization research over the past 20 years yielded an average of \$15 in benefits to the economy. In the last few years, moreover, the techniques of utilization research have been improved and the new knowledge developed has gained wider and more rapid application. As a result, the benefit-cost ratio has also improved. In the period 1956 to 1960, for example, benefits amounted to \$25 for each dollar spent for research.

This increased rate of return has occurred in spite of the rising cost per man-year of research. But, as with other kinds of research, benefits tend to multiply as the storehouse of scientific and technological information is accumulated. Further improvements in the benefit-cost ratio of utilization research can be expected.

Let us examine in a bit more detail just

what some of the specific benefits of this research have been, and then explore briefly some of the promising possibilities that lie ahead.

First, we might consider the markets for vegetable and animal fats and oils. These are farm products important in every section of the country.

Our total market for fats and oils amounts to about 18 billion pounds. Nearly half of this—8.6 billion pounds—is in foods. About a fifth—3.5 billion pounds—is in industrial products. More than a fourth—5.2 billion pounds—of all our fats and oils is exported.

What has utilization research done for fats and oils? Soybeans will give us part of the answer. The improvement in flavor and stability of soybean oil through research has led to expanded food uses worth about \$46 million annually. As a result, soybeans have replaced surplus grain and cotton on some 27 million acres of cropland.

Development of ways to use inedible fats in animal feeds has created a new market for 700 million pounds of surplus fats each year, worth about \$45 million annually.

Development of new and improved industrial products from various seed oils has increased annual sales of vegetable oil by \$18 million. In addition, this research has given consumers many useful new products, such as more durable and flexible sheet plastics, new foam plastics made from castor oil, and new linseed oil-water emulsion paints that are easier to apply and give a longer-lasting finish.

Utilization research has also developed new outlets for animal fats, in a number of industrial processes. These include improved oleic-acid products for better vinyl plastics, stearic acid for use in rubber manufacture, improved tallow derivatives for tinning processes and cold rolling of steel. In total, animal fat markets have been increased by about \$16 million a year.

All together, benefits to fats and oils from utilization research amount to at least \$125 million in additional sales.

We have scarcely scratched the surface in exploring wider and more varied uses of large quantities of fats produced on our farms.

Some of the benefits, which have substantial dollar value but cannot be precisely calculated, are not included in this total. They include the development of improved high-protein cottonseed and soybean oil meals, needed by our growing livestock and poultry industries, and a variety of new, high-quality food products from fats and oils, now available to consumers at low cost.

A number of us are especially concerned about what utilization research has done for cotton. This is a story of accomplishment that benefits not only cotton farmers in my State and others, but also consumers in every State.

Utilization research at the Department of Agriculture Laboratory in New Orleans laid much of the groundwork for the cotton industry's development of wash-and-wear fabrics. Recent improvements in these fabrics are also

products of the creative research by Federal scientists at New Orleans.

In addition, they have developed many other new cotton products and new ways of using cotton. These include an all-cotton elastic bandage; new flame-resistant fabrics for both military and civilian use; heat-resistant fabrics for ironing-board covers; and more durable shade cloth used to grow thousands of acres of fine tobacco.

USDA scientists have also made many contributions to improved textile machinery that help cotton compete as a raw material in our textile mills with manmade fibers—and give consumers better products.

In 1960, we used about 23.5 pounds of cotton per person in this country. But we know, from long-term market trends, that if utilization research had not developed wash-wear cottons and other new products I have mentioned, per capita disappearance of cotton in this country would have declined to 20.5 pounds—or 3 pounds less than the actual figure.

In other words, utilization research created additional uses for cotton totaling more than a million bales a year. It slowed down the decline in cotton's markets in the face of competition from synthetics. And it shows high promise of halting the decline, or perhaps even reversing it. That is important for cotton farmers, of course. It is also important for consumers—because the final result is improved cotton products of all kinds.

Besides expanding industrial, non-food markets for things the farmer grows, utilization research has had many notable successes in developing new food products, which have provided more income for farmers and new products for consumers.

In frozen foods alone, the contributions of utilization research have increased sales by an aggregate of some \$765 million a year.

How many people who enjoyed frozen concentrated orange juice at the breakfast table this morning realize that this product was created through research supported by their tax dollars?

The high quality of our frozen foods today is in large part a result of intensive research by Department of Agriculture scientists which established the procedures necessary to insure farm-fresh quality in the product as frozen and to maintain that quality through distribution channels.

Utilization research has developed new methods and new equipment to improve the quality and variety of frozen fruits and vegetables, frozen poultry, and pre-cooked frozen foods of many kinds.

To farmers, this work has meant additional markets for perishable crops. To consumers, it means better nutrition through retention of vitamins in frozen products and a more varied diet because of year-round availability of a wide variety of foods. The convenience of frozen foods has lightened the work of homemakers throughout the country.

For the economy as a whole, utilization research on frozen foods as contributed to the establishment of more than 1,200

new processing establishments, mostly small and located in rural areas. And it has aided also in expanding frozen-food exports, which are now worth \$77 million a year and are rapidly increasing.

Research on dehydrated foods has also proved highly worthwhile. New sales of dehydrated products made possible by utilization research amount to \$150 million a year.

Developments responsible for this expanded market for fruits and vegetables include new fruit-juice powders; high-moisture dehydrated prunes and figs; more efficient methods of drying vegetables and fruit juices; improved dried eggs that retain their excellent flavor in storage; and improvements in the technology of producing nonfat dry milk and using this product in bread.

Among the most successful research developments in this field are dehydrated potato flakes and improvements in the processing of potato granules and other potato products. Through these developments, utilization research has virtually halted the trend toward lower per capita consumption of potatoes.

The accomplishments I have mentioned are only a few of those made by Department of Agriculture scientists engaged in utilization research. There are many others. Worth special mention are developments that contribute greatly to our national readiness in the face of possible emergency. They include:

A method, for use when needed, of removing radioactive strontium 90 from milk;

Nutritious and tasty wheat wafers for use as emergency rations in fallout shelters;

Many contributions in the field of pharmaceuticals, including development of mass-production methods that first made penicillin generally available, and dextran, a storable synthetic blood plasma extender, already in our emergency stockpile.

But what of the future? What can we expect of an accelerated program of utilization research? What are the unrealized opportunities today for developing new markets, here at home, for our agricultural surpluses?

The first great opportunity lies in wider industrial uses for cereal grains. Our utilization research scientists see real possibilities, for example, in diverting 170 million bushels of cereal grains from feed and food uses to new industrial uses.

They are already finding out that new materials derived from grains can be used by our great paper industry to add both wet and dry strength where needed in paper products at competitive prices. They are well along in developing a new type of corn that yields a now-rare starch valuable for use in a great variety of films, fibers, plastics, coatings, and other products. They are developing new adhesives from starch with better water resistance, greater holding power, and other desirable properties. Through grain fermentation they are creating entirely new organic chemicals needed by industry in a wide variety of processes.

If these and other developments can be pursued aggressively, they could take

the harvest from more than 3 million cereal grains and reduce the average annual addition to feed-grain carryover stocks by 60 percent.

Increases in food uses for wheat are another possibility foreseen by our utilization research scientists. They are working to preserve and accentuate the flavor and aroma of freshly baked bread in baking processes, and to develop new and more attractive wheat foods through the process known as "air classification" of wheat flour. Both of these developments could increase markets here at home for wheat.

Other developments could help us expand export markets for wheat, both to dollar-market countries and to low-income areas. These include new methods of obtaining strong bread doughs without additives and new low-cost wheat foods such as bulgur, pearled wheat, fermented wheat products, and meat-like foods from wheat.

Wheat is actually a cheap source of calories. At \$2.08 a bushel, it provides 425 calories for 1 cent. Making wheat products more attractive can benefit consumers both here and abroad.

How about the potential benefits to cottongrowers and cotton consumers from utilization research?

Market studies show that consumers want greater resilience and strength in cotton products; they want cotton garments that truly require no ironing at all; they want cottons with luster for some uses and cottons that better resist soiling and staining. All these attributes, our scientists believe, can be built into cotton through chemical modification of the fiber or the fabric—but it will take a lot more research to make this possible.

However, if just these improvements can be made in cotton goods it will add at least another million bales a year to the demand for cotton.

Similar prospects are in sight for oilseeds and for a variety of animal products.

Development of a stable, full-flavored, dry whole milk could so decrease milk costs to consumers that it might well increase our use of milk by 10 percent—providing new markets worth \$1 billion.

New frozen, dehydrated, or processed meat and poultry products would lower the retail price and boost consumption of meat and poultry. This could increase the demand for feed grains by an amount equal to 240 million bushels of corn a year—more than the annual addition to our feed grain stocks.

Other grains by our livestock industry are possible through increased research on hides and leather and on both edible and inedible fats.

The accomplishments of utilization research so far have been impressive. The opportunities for further achievement are even greater. But you have another question—Why must this kind of research be done by the Federal Government? I believe I can give you a good answer.

Our industries that are concerned in one way or another with agriculture together with the Department of Agriculture and the State have each contributed

to research progress in agricultural experiment stations production. But the effort in utilization research has been almost exclusively a Federal effort. I believe it must continue to be so. The reasons are simple.

The State agricultural experiment stations are not in a position to support utilization research on a large scale, because the problems of this research do not vary from one State to another—they concern the development of nationwide markets for farm products.

Industry cannot be expected to increase appreciably its research to find new uses for farm products, because industry's main interest is in markets for its own products, not markets for the farmer.

The farmer produces raw materials. Industry will use farm-grown materials—or materials produced in a factory, a mine, or an oil well—depending on their suitability for particular purposes and on their price.

The Federal Government is the only agency interested in and capable of taking on the job of making farm products more appealing to industry as raw materials. The Department of Agriculture must bear most of the load in utilization research. That is the main reason we must expand the program in this field.

Madam President, the problems facing agriculture in this country today fall into four main categories. Agriculture has problems of underconsumption. It has problems that involve the conservation and wise use of agricultural resources and the abundance that flows from them. And it has problems that can be solved only by creating increased opportunities for our farm and rural people.

The kind of research I have been talking about—utilization research—is making a direct attack on agriculture's problems in all of these three major areas.

The fourth category of agricultural problems are those that result from overproduction of farm commodities. Utilization research does not reduce farm production, but it is finding new and wider uses for farm products. The very existence of overproduction—of surplus goods we have not yet learned how to use economically and effectively—seems to me one of the best of all reasons for launching an aggressive, accelerated program of utilization research.

Mr. CURTIS. Madam President, will the distinguished Senator from Georgia yield at this time, or does he prefer to yield later?

Mr. RUSSELL. I am glad to yield now.

Mr. CURTIS. I wish to commend the distinguished Senator from Georgia for the intelligent and generous attention he has given this subject. My commendation also goes to the other members of the subcommittee, including the distinguished Senator from South Dakota [Mr. MUNDT] and the distinguished Senator from North Dakota [Mr. Young], who likewise have been very much interested in this subject.

Mr. RUSSELL. If the Senator will indulge me, there is nothing new in the suggestion about utilization research. The Senator from Indiana [Mr. CAPEHART] some years ago proposed legislation in this area. While the sum of \$25 million is perhaps as much as can be properly utilized in 1 year, I consider this as one step in an essential program in this area.

Mr. CURTIS. I agree with the Senator.

I shall not take a great deal of his time, but I wanted to make another observation or two. I think this is very important. I believe if we began with the legislative history of the establishment of some of our laboratories, we would find even at that time this program was envisioned. A few years ago, the President, pursuant to an act of Congress, established a bipartisan commission to make recommendations along this line.

Mr. YOUNG of North Dakota. Madam President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. YOUNG of North Dakota. The Senator from Nebraska was the chief sponsor of that legislation.

Mr. CURTIS. There were quite a few interested in it.

Mr. RUSSELL. The Senator from Nebraska has been a voice crying in the wilderness for several years—

Mr. CURTIS. I think it was not a wilderness, so far as the distinguished Senator from Georgia is concerned. But that commission was an unusual commission. We gave them \$100,000. They returned about 40 percent of it.

Most of the people who served on it volunteered their services. They charted a course, a dreamer's course; yet the Commission was made up of practical men. They found that the problem of surpluses can best be reached by finding greater uses for the surpluses.

I commend the committee for what it has done about it in the bill, and express the hope that, in due time, the full program as envisioned by the Wells Commission can be gotten underway.

If I may, I wish to stress two points that I think merit the consideration of the Congress in the days that lie ahead. One is that we must have a utilization of the research. It is easy to provide the laboratories and get the scientists and scholars there, but we must use the research that has been developed. I am not too sure but that there have already been gains made in the laboratories that could be utilized but have not been used.

That leads me to the second suggestion I have. We spend a great deal of money on subsidizing transportation, export subsidies, through foreign aid. The Secretary of Agriculture estimates we are spending \$1.9 billion a year in subsidizing exports. I would like to see a change in the substantive law so the Commodity Credit Corporation could sell surplus stocks at a lower price equivalent to the export subsidy under regulations and requirements that would assure that those stocks did not get back

into channels of food or beverages or food for animals.

In other words, I believe there are many industries that are ready to go ahead and use surpluses and, through the magic of chemistry, make other products out of them, but they cannot start an infant industry of that kind and buy the stocks of the Commodity Credit Corporation at the prices the law requires that they be sold for.

We should extend to industrial users the same opportunity to buy at a lower price as we do to foreign importers. I think this would greatly enhance the program and bring gratifying results in a short while.

I did not intend to take so much of the time of the Senator from Georgia. I thank him for yielding to me.

Mr. RUSSELL. I wish to congratulate the Senator from Nebraska for the great contribution he has made in this area. When I said a few minutes ago that he was a voice crying in the wilderness, he cut me off before I could say "for many years," because the Senator, for 2 or 3 years here, endeavored to get his resolution through. It was finally trimmed down to a certain extent, as I recall, but was finally enacted. I was happy to be among those who supported the Senator's efforts. The Senator from Nebraska has made great contributions in this area.

All he has said is completely true. The net expenditures under Commodity Credit Corporation from 1952 through 1961 amounted to \$26,238 million.

As of the time these data were compiled, we also had on hand an inventory of \$4,300 million.

So this is a problem which we must attack in an effort to get some value for the American taxpayers for the dollars that have gone into the program. We have increased our production enormously, and are now the breadbasket of the world, and people everywhere look to us. I was amazed to read an article wherein it was stated that one of our long-time friends overseas issued an official pronouncement to its farmers and told them not to plant any wheat, that it was not necessary, because they could get all the wheat they needed to feed in that country under the Public Law 480 program.

During the Punta del Este meeting, when we undertook to get a common front against communism in this hemisphere, when our Secretary was there, and also some of our distinguished colleagues, including the Senator from Oregon and others, one of the larger nations of the Western Hemisphere said we ought not to press them so hard to join in a denunciation of communism, because they had made a great contribution to this country; they had consumed more of our agricultural production than anyone else in this hemisphere. They had done more than they could be expected to do for the United States.

This is a problem of endeavoring to see that the American people receive some value for these commodities. They have great value, we know, in sustaining life,

but there are innumerable avenues that might be opened up in the field of chemistry, as well as in the diet, that would consume tremendous quantities of these commodities, particularly fats and grains.

Mr. CURTIS. I agree with the Senator. I commend him for his interest and for the services he has rendered.

Mr. MUNDT. Madam President, will the Senator yield on that point?

Mr. RUSSELL. I am glad to yield to the Senator from South Dakota, who has been a pioneer in this field.

Mr. MUNDT. I may say that I think the Senate as a whole will realize, as we go into this bill, that the \$25 million which has been appropriated now for industrial research, from the standpoint of getting our agricultural products used industrially, will probably prove to be the cheapest investment that has ever been made for the solution of the farm problem, because this is a permanent program. This is something that works against the surpluses we now have and works against the potential surpluses that we have the capacity to produce.

If it evolves as the members of the subcommittee hope it will evolve, it will mean we can talk to farmers in terms of doing their most efficient job of utilizing their acres to produce the maximum of their optimum yields of crops, instead of devising ways for them to reduce their crops and charging the cost of that back to the taxpayers.

The Senator from Georgia has been most constructive in his approach to this subject. We shall have, as title V of the agriculture bill, which passed this body earlier in the week, an elaborate mechanism established which, if it is included in whatever final legislation is passed, would provide meticulous guidelines for the utilization of this \$25 million and would provide also a need, and a reasonable one, for an additional appropriation. If this does not carry through and if title V is lost some place in the shuffle, or if there is no farm bill acceptable to the Congress, the \$25 million would go far toward meeting the first point made by the Senator from Nebraska; that is, to provide utilization of the research already made, as well as to stimulate, by private contract and otherwise, new utilization in this field.

I think there is merit in the suggestion that Commodity Credit Corporation stocks which are now costing large sums annually for storage might well be sold at reduced prices to industrial concerns and research groups who will agree to utilize those surplus stocks solely in trying to open up industrial markets for farm production.

In this field we are moving in an imaginative and in a practical manner toward a permanent solution to the farm problem. It has been a joy and a privilege to work with the Senator from Georgia and the subcommittee in moving in this direction.

Mr. RUSSELL. I thank the Senator. He has been one of the pioneers and principal movers in this area.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the Senator from Florida.

Mr. HOLLAND. I wish to commend, most heartily, the fine service rendered by the distinguished Senator from Georgia. I am particularly happy in regard to three items in the research recommendations of the committee, which happen to affect my State, but all of which affect other States as well.

The first of those items is the \$100,000 to overcome the cause of varietal decline affecting production in the three major sugarcane producing areas; that is, Louisiana, Hawaii, and Florida. This is supported, as the Senator knows, by the Senators from all of those States. I think it is a fine step. I think our recent experiences in connection with sugar supply problems indicate the need for knowing more about how we may produce more economically on our domestic sugar lands.

The second item is the \$100,000 for the expansion of the citrus breeding research, which is likewise supported by the Senators from California, Arizona, Texas, and Florida, the principal citrus producing States. I think this will bring forth vast returns for every dollar expended.

The third item is the \$100,000 to accelerate the research program to develop mechanical harvesting aids for citrus. Again, this is supported strongly by all the citrus producing areas. As the trees are getting larger and the supply of domestic people who are willing to handle the heavy ladders involved is getting smaller and smaller, we are finding this a more grave problem year after year.

I certainly commend the Senator for his recommendations and for including these items in the bill.

I wish to say also that the allowance of the full budget estimate covering the quarantine inspections at ports of entry is, I think, exceedingly important.

We have recently suffered another infestation of Mediterranean fruit fly, as the Senator knows, which was caught early, and, I hope, is being eradicated speedily. We shall have to face additional hazards in this field, as the screw-worm is eradicated in the southwest. As the Senator knows, we have embarked on a large program there. It will require constant vigilance along the whole southwest border to prevent the reinfestation of that whole important area in livestock breeding, from Mexico.

There are so many other items which are of great importance that I feel I could not name them all, but I wish to commend the distinguished Senator particularly upon his having insisted in this bill upon our going ahead with the eradication of hog cholera. We have been toying with control measures, as the Senator knows, for years; spending millions and millions of dollars at the expense of the States, of the Federal Government and of the producers. The problem has become more widespread, if possible, rather than less, due to that temporizing tactic.

There are so many things which I think the Senator has recommended which are essentially wise and which will

pay off tremendously in dollars and cents that I cannot say with sufficient force that I feel the Senator is rendering great service in the careful way he goes into all the problems of agriculture involved in this bill and comes to the Senate with a measure which affects agricultural producers literally from one end of the Nation to the other in every one of their important and difficult problems.

I cannot begin sufficiently to express my own gratitude to the distinguished Senator for the careful and methodical way in which he handles the bill. I thank the Senator.

Mr. RUSSELL. I am very grateful indeed for the Senator's very high opinion. I must, however, in common honesty, state that I have an unusually able subcommittee composed of Senators who have been interested in agriculture throughout their lives. Many of them have farm backgrounds. Many came up as boys close to the problems of the soil and of agriculture. With a committee of this kind, with all members interested, as each and every one is, in wide areas of agricultural life, the Senator from Georgia is compelled to give close scrutiny to a large number of items to keep up with the other members of the committee. I have a strong committee, for which I am very grateful.

Mr. YOUNG of North Dakota. Madam President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. The Senator mentioned awhile ago that when the Republicans were in control of the Senate the senior Senator from North Dakota was chairman of the subcommittee of the Committee on Appropriations which dealt with agriculture. That has been a long while ago, since the Republicans were in control of the Senate. I am one of those who hope that Republicans will again in my time control the Senate, but not for the reason of displacing the distinguished Senator from Georgia as chairman of this subcommittee. Even if the Republicans were in control of the Senate I should be perfectly happy to have the Senator continue as chairman of the subcommittee. He has made a great record. No one in the Congress renders better service in handling this appropriation, not only with respect to taking care of the needs of agriculture, but also with regard to keeping the appropriations within bounds.

Mr. RUSSELL. Let me sincerely thank my distinguished friend. I will say that no observer from outside the Congress could sit in the committee room and detect the party membership of any member of the subcommittee. I have never seen the slightest effect of partisan influence or any reference to partisan predilections on the part of any member of this subcommittee.

Mr. YOUNG of North Dakota. That is certainly true.

I should like to invite the Senator's attention to the language in the report, in the second paragraph at the top of page 14, which is:

The committee recognizes the savings to producers which can be made through transporting grain in larger boxcars and even in covered gondola cars. It recognizes, however, the difficulty in securing adequate and representative grain samples from these cars. The development of an improved sampling technique is essential to the extensive use of improved grain transportation facilities. The committee recommends that, within the funds provided for fiscal year 1963, some effort be devoted to testing various grain sampling devices.

This has become quite a problem in our area, and I think over most of the United States. The Southern Railway has developed a much larger boxcar made of aluminum, having the same overall weight. However, the car would carry 3,500 bushels as compared to the capacity of the cars in my area, which carry 2,000 bushels. Even with the cars we have had for years the sampling system has not been very good. For example, the probing device used in grain never reaches the bottom. It has presented many problems.

We believe that through research we can develop a better system. I was very happy to read the language in the report, which I believe indicates that we will go a long way toward getting the kind of research we need. During the presentation before the committee, I requested \$20,000 for that purpose. Does the chairman believe that with the deletion of that amount there will be any curtailment of the necessary research in that field?

Mr. RUSSELL. No. It is my information that that amount is about what would be required to carry out the necessary research. It will be taken from funds that have been appropriated for research purposes.

Mr. YOUNG of North Dakota. Then adequate research will be carried on?

Mr. RUSSELL. As the Senator well knows, generally the Department of Agriculture responds very well to requests of the committee in the committee report. I have every reason to believe that research will be carried out as directed in the item which the Senator has read. If not, Congress will be back in January and can consider the situation then.

Mr. YOUNG of North Dakota. I thank the Senator.

Mr. MUNDT. Madam President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the Senator from South Dakota, who has been an able and active member of the subcommittee.

Mr. MUNDT. I thank the chairman. I invite attention to another paragraph, under the title "Limitation on Administrative Expenses," on page 24 of the report, which I should like to read:

The committee has received complaints about the handling of storage in privately owned warehouses. The Department is requested to take the necessary steps to distribute these warehoused surplus commodities equitably among the grain-producing States, where such action can be taken without incurring additional cost to the Government.

As our chairman recalls, I opposed that paragraph in our committee deliberations. I raised some questions about it,

because to me it was not clear exactly what instructions we were delivering to the Department of Agriculture. My reason for opposing the paragraph was that it seemed to hint a little at an amendment, called the Yates amendment, which came to us at one time from the House, and which we summarily rejected. The House concurred in that action. While the paragraph does not in any way resemble the language of the Yates amendment, its ambiguity and vagueness disturbed me. I have received a great many inquiries from other Senators who were interested in the Yates amendment fight, from farmers who raise and store grain on their own farms, and from operators of privately owned and cooperative elevators, which play such an important part in the economy of the Midwest.

In order to clarify the record, I point out that the language of the committee does not anticipate a change in the Department policy of leaving grain in storage as close to the producing areas as possible, or so I interpret it. I should like to have that type of affirmation and confirmation from the chairman, if he interprets it in the same way.

Mr. RUSSELL. I do not think the amendment is in anywise related to the Yates amendment. I should be able to recall the Yates amendment, because I received telegrams by the bushel about it. As I recall, the Yates amendment provided that we should utilize all the Government-owned warehouses and fill them before privately owned warehouses were utilized.

Mr. MUNDT. The Senator's memory is excellent, as usual.

Mr. RUSSELL. I do not think that is a part of the problem. It has been more of an issue between shipping points and other sections with respect to the grain that was in transit, as I understood the matter. The distinguished Senator from Oklahoma [Mr. MONRONEY] was active in presenting the subject to the committee. He is one of those who filed the complaints referred to in the first line of the item. I had understood from his statement in the committee that the paragraph related primarily to grains in transit to ports of shipment.

Mr. MONRONEY. Madam President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MONRONEY. The Senator is exactly correct. The paragraph deals strictly with privately owned warehouses. When we were overrun with wheat and the Nation's warehouses were full and had to be emptied to make way for the new crop, there was no place to store wheat except in mothballed ships, in Army cantonments, or in abandoned factories. At the urging of the Government, a group in the eastern half of Oklahoma and in the western half of Arkansas constructed at their own expense modern concrete storage to take care of grain being moved toward terminal warehouses.

As the Senator well knows, pressure on our warehouse space has materially lessened. The storage was built with the encouragement of the Commodity Credit Corporation.

While there was no guarantee of perpetually filling it, modern, durable, usable storage was constructed to replace oil tank farms, ordnance works, and various other places in which the grain would otherwise have had to be stored.

Unfortunately, as the amount of grain stored decreased by 4 percent of our stocks, the authorities in the CCC office at Dallas shipped 25 million bushels of grain out of eastern Oklahoma and western Arkansas storage. The shipment occurred between October 1961, and May 1962. That action was claimed to result from the need to move the grain to terminal warehouses. Actually the grain was not going to a port. It was going to inland terminals, most of which are located at Fort Worth, Tex., or other inland places, and are designated, as the Senator well knows, class 9 warehouses. Warehouses to which I have referred are class 8 warehouses, which do not furnish the official weights and grades, but serve as intermediate storage between the terminal at the port and the country storage.

The only purpose of the statement is, because of the near bankruptcy which those warehousemen are facing, to admonish the Department that more equitable distribution among the grain-producing States is desired.

The statement does not order the Department to do anything more. But I do not think it is quite right to empty the warehouses of one State in order to fill the warehouses of another State when both facilities are in line of transit, and delivery to a port is no more speeded up than it would be if the grain were left where it was.

A great deal of grain storage will not be utilized. Commodity Credit Corporation utilization of the facilities in Oklahoma is 34.93 percent of our grain storage capacity.

Nebraska, with twice as much storage space as ours, has twice the percentage of space full, which makes about four times as much wheat stored in Nebraska. The warehouses are 66.8 percent full.

Kansas warehouses, which have approximately four times as much storage space as those in Oklahoma, are 67.21 percent full.

In Texas, which raises a very much smaller amount of wheat, but has built a great amount of storage space, some of it completed since the Oklahoma storage space was built to supply the needs, the warehouses are 63.91 percent full as compared to Oklahoma's figure of 34.93 percent.

We feel there should be some equity. I appreciate the committee's taking the necessary time to hear us and its advising the Commodity Credit Corporation that if the cost is no greater, it should utilize storage on an equitable basis among the grain-producing States.

Mr. MUNDT. I am happy to have the explanation of the Senator from Oklahoma in the RECORD. It is much more informative than the brief language in the committee report. Let us pinpoint these specific facts. As I understand, the Senator from Oklahoma, first of all, states that there is nothing in the committee report which would move in the

direction of taking grain from private storage and putting it into public storage.

Mr. MONRONEY. Absolutely not. The purpose of the amendment is to try to keep these poor men from going bankrupt. They are in private storage, and I hope that they will be able to share equitably in the private storage and receive some of the benefits.

Mr. MUNDT. The second point is that there is nothing in the language which would move in the direction of eliminating present Department of Agriculture policy to store where they can, the grain on the farm where it is raised, if the farmer has the necessary facilities.

Mr. MONRONEY. That is correct.

Mr. MUNDT. If he does not have the facilities to store it, to store it in the immediate vicinity until the local storehouses and elevators are filled. What the Senator is trying to do relates to the next step, moving it out into transit.

Mr. MONRONEY. Intermediate.

Mr. MUNDT. Toward some ultimate seashore terminal; and the Senator wants equitable treatment in that regard.

Mr. MONRONEY. Yes.

Mr. MUNDT. Where there is no additional cost involved.

Mr. MONRONEY. Where there is no additional cost. It must move just as cheaply in line of transit as it would through other routings.

Mr. MUNDT. It appears that the Senator from South Dakota was one of the pioneers in supporting what the Senator is asking, because during the Billie Sol Estes hearings I put into the record the fact that there were comparatively large empty services in eastern Oklahoma and southeastern Oklahoma which were not being utilized, whereas the grain was being shipped into western Texas. I put into the record figures to show that there were, surprisingly enough, elevators in Oklahoma much closer to Texas ports than the transit elevators of west Texas. There may be other reasons why these elevators in west Texas were used. Our committee has spent months in trying to find out, and we are not in a position yet to make a report.

I find no complaint with the amendment, now that we have had this legislative history made in the RECORD. It ought to obviate any misunderstanding about it.

Mr. MONRONEY. The Senator has described my amendment perfectly. I am grateful to him for giving me a chance to amplify what had of necessity to be briefly described in the committee report. I appreciate the fact that the chairman has given me an opportunity to describe this inequitable situation in Oklahoma.

Mr. AIKEN. Madam President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. The Senator from Oklahoma has been discussing the storage situation as it relates to wheat. Absolutely the same situation relates to other grains. People who raise corn have been wondering where the big surplus of corn was, because, they say, "our elevators are empty, and our storage bins are empty. Therefore, we wonder where the surplus is."

Obviously, if it is in the pipeline, it is not in surplus. If it is on the way to the market somewhere, it is not in surplus. It seems to me that it would be a good idea if a committee would look into the situation, or if we had the General Accounting Office look into the situation and make an accurate survey of just what we do have in this country in the way of grain and how much, if any of it, is in surplus.

The complaint which comes from the Senator from Oklahoma is common in other parts of the country too.

Mr. MONRONEY. I was willing to accept the record when I was told that the Oklahoma warehouses were empty because they sold so much grain. However, when I got the figure, I found that there was only a 4 percent reduction in volume of stocks and that 25 million bushels had been moved out of the elevators. It was then I found it was piling up in Texas, in warehouses that had been built much later—by a year or two—than the other elevators that were being emptied out, and which were not as close to line of transit.

Mr. AIKEN. I had a call from a Midwestern operator who wanted to know whom to see at the Department of Agriculture in regard to the storage of grain. I told him whom to see. I forget who it was now, but he saw them, and then reported back to me to say that they had told him they had storage running out of their ears, and they did not need any more.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. RUSSELL. I wish to say to the distinguished Senator from Vermont that with respect to his suggested inquiry, perhaps it would be more appropriate to have such an inquiry conducted by the Government Operations Committee or by the Standing Committee on Agriculture and Forestry. They have general oversight in these matters, which is not the fact with respect to the Agricultural Department Appropriations Subcommittee.

Mr. AIKEN. The Government Operations Committee, with the assistance of the General Accounting Office, could make a complete survey, and they could find out just what the situation is with respect to any surplus, and where it is.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HUMPHREY. I wish to have the attention of the Senator from Oklahoma, particularly, if I may, because I was equally disturbed about this particular paragraph in the report, and as to what its meaning might be, and how it might be interpreted by the attorneys for the Department of Agriculture and by the officials of the Department.

I understand now that what the Senator is talking about is that there will be no discriminatory treatment.

Mr. MONRONEY. The Senator is correct.

Mr. HUMPHREY. With reference to privately owned facilities that is.

Mr. MONRONEY. Against privately owned facilities.

Mr. HUMPHREY. On two occasions I have offered an amendment, and both

times the Senate adopted the amendment, which reaffirmed in the Senate the sense of Congress as it relates to the policies of the Commodity Credit Corporation. That amendment read:

Congress hereby reaffirms its long-standing policy concerning the use by governmental agencies of the usual and customary channels, facilities, and arrangements of trade and commerce, and directs the Secretary of Agriculture and the Commodity Credit Corporation, to the maximum extent practicable, to adopt policies and procedures designed to minimize the acquisition of stocks by the Commodity Credit Corporation and to encourage orderly marketing of farm commodities through private competitive trade channels, both cooperative and noncooperative, and to obtain maximum returns in the marketplace for the producers and the Commodity Credit Corporation.

This is a directive from Congress. I wanted to make sure that the language in the report did not run in contradiction to what was a directive in the law, that the Commodity Credit Corporation shall encourage orderly marketing of farm commodities through private competitive trade channels, both cooperative and noncooperative.

In other words, we are not going to bypass the established facilities and put Government-owned stocks strictly into Government-owned facilities; rather as I understand it, the Senator from Oklahoma seeks to have the Commodity Credit Corporation operate efficiently and at as low a cost as it can within the terms of the charter of the Commodity Credit Corporation.

Mr. MONRONEY. Yes, we stated that the cost to the Government should not be increased.

Mr. HUMPHREY. Which charter, by the way, does not give the Commodity Credit Corporation the power to take over the agriculture of this country and the warehousing of agricultural commodities, but which power is directed toward supplementing the agricultural programs of this Nation rather than supplanting them.

I hope we have a clear-cut understanding on the basis of what has taken place here. First of all, do I understand that the Senator concurs in the Government's policy of trying to warehouse this grain as close to its point of origin as possible?

Mr. MONRONEY. The Senator is correct. There is no effort being made by this language to change the pattern. It is the intermediate warehouse for which we seek a degree of fairness in treatment. As the Senator knows, as the grain moves from the country warehouses, it often is stopped at intermediate warehouses.

There can be all types of warehouses, including the class 9 warehouse, the large vertical warehouses that are approved to fix weights and grades. The warehouses I am speaking of are new and lower cost warehouses, and are designated as class 8. It does not have at this time facilities for weighing and grading, although the owners offered to establish them, and they do not now offer this service.

Therefore, they have been barred from handling any more grain. But they have served us well. The grain has been kept well.

But now they have emptied 20 million bushels into Texas terminal warehouses. One of the reasons why the amendment is needed is that they are in line of transit, that they are in intermediate storage, and that to use them as a stopping point between the country warehouse that is being emptied and the terminal warehouse that is being filled would require a so-called in-and-out charge of 2½ cents a bushel.

They have offered to absorb this in-and-out charge, so the Government would get this grain delivered to the terminal warehouses on the Gulf coast at no additional cost to the Government.

This is the prime reason why we ran into the complaint that this might violate customary grain freight procedures. I do not think it does. I do not think the people should be denied the right to render the minimum service, absorbing the in-and-out cost, which would allow them to participate, at no additional cost to the Government.

Mr. HUMPHREY. In other words, the in-and-out charges would be absorbed.

Mr. MONRONEY. By private warehousemen, who otherwise would have been bankrupt and had no other place to which to turn.

Mr. HUMPHREY. I agree. I represent, in part, a very important agricultural State. Minnesota has terminal warehouses which are privately owned and cooperatively owned. Sometimes the terminal warehouses stand idle and unused at the head of the lakes at Duluth, Minn., and Superior, Wis. I, for one, would very much like to have the standing Committee on Agriculture and Forestry, along the lines that have been suggested, examine into the whole question of Commodity Credit Corporation policy relating to storage and warehousing of surplus grain, to the effect and for the purpose of seeing to it that the mandate of the charter of the Commodity Credit Corporation is being fulfilled, and also that the most economical and efficient methods are being used.

I do not say they are not being used. I have had questions repeatedly asked of me when I am at home to this effect: "We have noticed that a big shipment of corn left Iowa and has gone all the way to New York. Why?" I do not know why. I inquire, and someone will say, "We wanted to get it to a port where we could export it."

Well, the question then is, "How long do you leave it at the point of export? Do you want to leave it there for months or just long enough for it to be shipped out?" Those are questions which need to be asked.

A good inquiry was conducted a few years ago on the question of storage rates. As a result, considerable sums of money were saved by the Government. I think it should be known, and that has been established here today, that the Government has excess storage available to it—Government-owned storage, privately owned and constructed storage, and cooperatively owned and constructed storage. There has been much criticism of people who store grain. Some of the comments would attempt

to give the impression that there has been stealing from the Government. I think the record ought to be made clear that in 1950 the Government started asking warehousemen, commercial operators, farm cooperatives, and farmers themselves to build storage. Not only were they asked to build it, but the Government urged such construction upon them as a patriotic duty. Tax inducements were given to promote such building. For years a debate was running in this country as to whether enough storage was being built and as to whether people were holding back. I remember the pictures of grain piled upon the ground in Kansas, corn lying on the ground in southern Minnesota and Iowa, wheat lying on the ground in the Dakotas. Even the newspaper critics were asking, "Why is not such building being started?"

Mr. MUNDT. There were also loan programs for the farmers to enable them to build storage facilities.

Mr. HUMPHREY. There were loan programs to permit farmers to build their own storage—storage right on their ground.

More construction was created then than was necessary. Millions of dollars were invested in storage. But when one seeks to get a little Government business, he is considered, somehow or other, as acting illegally or immorally. Actually, I think people ought to go into business to make a profit. If they are seeking a little storage business on equitable terms, at fair, competitive rates, they ought to be commended rather than criticized. I would say the same for the farm cooperatives. In my part of the country, farm cooperatives are very important. One reason Minnesota has a solvent economy, since we do not get much help from the Federal Government, is that our farmers have learned how to build cooperatives in order to bring in a little extra money for themselves. This has helped the whole Midwest.

As I look around the Chamber, I see Senators from States where farm cooperatives have done as much to save agriculture as has any agricultural program. Without cooperatives, there would not be any family farm program.

So I wish to make certain that there is nothing in the report or by way of any intent of Congress which will cripple or in any way distort or in any way impede the activities of the Commodity Credit Corporation to conduct its business as it was intended to do. The U.S. Department of Agriculture says it is doing just that.

Madam President, in this connection I ask unanimous consent to have printed a statement at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Senate Committee on Appropriations, in its report on H.R. 12648, the Appropriations Act for USDA for fiscal 1963, Senate Report No. 1908, at page 24, requests the Department "to take the necessary steps to distribute these warehoused surplus commodities equitably among the grain producing States where such action can be taken with-

out incurring additional cost to the Government."

This "request" if not modified, may well require the Department to abandon in substantial part its policy in handling grains, title to which have come to the Government under the price-support program.

This "request" in effect is contrary to the philosophy of the charter of the Commodity Credit Corporation which has recently been reaffirmed and reexpressed by the Senate. The first occasion was on May 25, 1962, when the Senate accepted, without objection, Senator HUMPHREY's amendment to S. 3225 providing in part as follows: " * * * Congress hereby reconfirms its longstanding policy of favoring the use by governmental agencies of the usual and customary channels, facilities, and arrangements of trade and commerce, and directs the Secretary of Agriculture and the Commodity Credit Corporation to the maximum extent practicable to adopt policies and procedures designed to minimize the acquisition of stocks by the Commodity Credit Corporation, to encourage orderly marketing of farm commodities, through private competitive trade channels, both cooperative and noncooperative, and to obtain maximum returns in the marketplace for producers and for the Commodity Credit Corporation."

The second occasion was on August 20, 1962, when the Senate, without objection, again adopted as an amendment to H.R. 12391, the language quoted above. (See CONGRESSIONAL RECORDS for Mar. 25, 1962 at p. 8637; and for Aug. 20, 1962 at p. 16085.)

In accordance with the directives reaffirmed twice by the Senate, the Department of Agriculture has adopted as a policy to leave grains, title to which has passed to the Government, in store as close to producing areas as possible. Consistent with this policy the Department has not moved its grain stocks from those positions except to fill the needs of Government programs or to provide storage space necessary for an orderly takeover or to provide adequate space for grain producers at time of harvest or to aid the Government in the management of its inventories of grain stocks.

Basic in this policy is a continuing attempt by the Department of Agriculture to retain for the use by grain producers, grain merchandising warehouses and to recognize that these warehousemen and warehouses are ready, willing and able to perform, and in fact do perform, services other than being repositories for Government-owned grain.

Warehouses which store only Government-owned grain * * * store no grain for producers, store no grain for their own account, and do not engage in merchandising activities * * * do not fall within the usual and customary channels, facilities and arrangements which are utilized or can be utilized in marketing grain or in transactions relating to grain.

The grain warehouses which fall into the usual and customary channels, facilities, and arrangements which are utilized in marketing grain and in transactions relating to grain are warehouses which buy and sell grain for their own account, which store grain for the account of others, including the Government, and which are so located and so operated that they are part of the regular flow of interstate commerce in grain, regularly serving grain producers and consumers.

Mr. HUMPHREY. Madam President, I thank the Senator from Oklahoma [Mr. MONRONEY]. He has been very helpful.

Mr. MUNDT. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. MUNDT. I think we have now established in the RECORD the intent of this little paragraph. All who are right-

fully concerned can set their minds at rest that this legislative history will compel the Department of Agriculture to conduct the kind of operations which the colloquy this morning has established should be conducted.

Madam President, I plan, when the Senator from Georgia concludes, to make some extended remarks on the subject of research and utilization of farm products, because I think this is a most important aspect of the bill, probably the most important aspect in any agricultural appropriation bill passed in the history of Congress.

Mr. KUCHEL. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I am delighted to yield to the distinguished senior Senator from California, the minority whip, and the acting minority leader today.

Mr. KUCHEL. I thank the able Senator from Georgia. First, I wish to join in the salute that has been paid to him by Senators on both sides of the aisle.

Mr. RUSSELL. I thank the Senator from California.

Mr. KUCHEL. Once again the senior Senator from Georgia has performed a valuable service to agriculture.

I speak on behalf of California, particularly for the citrus industry of that State, and most especially for the lemon industry, and the grape industry, as well. In the last year, the Department of Agriculture has conducted a reporting service with respect to lemon production, and the California Legislature has appropriated sufficient moneys to provide matching with the Federal Government, acting through the Department of Agriculture, to continue the statistical reporting service in California both with respect to lemons and grapes. This reporting is now a regular activity.

I say to my able friend, the Senator from Georgia, that objective yield studies on grapes and lemons in my State are highly important. They need to continue.

I read from page 13 of the committee report:

The committee requests a detailed report as to cost sharing and cooperation received from States and private sources in connection with these and other crop and livestock reporting estimates and services in connection with the 1964 budget presentation.

In connection with the budget item as approved by the House, provision was specifically made in the report for the objective yield studies on both grapes and lemons.

For the purpose of making the legislative history, I ask the able Senator from Georgia whether, as regards the action taken by the Senate committee in recommending an increase in the amount for the statistical reporting service—as provided in both the bill and the report—is it the intention of the committee, in bringing the bill to the floor, that U.S. participation in this particular reporting work shall be continued when a State such as California has provided the essential matching moneys?

Mr. RUSSELL. Madam President, so many items are involved in this area that I would not wish to say that the committee specifically intended that this item

or that item, in particular, should be carried on; but, as I understand, funds have been available for the State's part of this work—furnished either by the State of California or by the producers themselves. For a number of years our committee has insisted as vigorously as it knew how that such programs be given priority as new programs are added—in other words, that priority be given to programs in which the State offers participation or participation by the producers equal to that provided by the Federal Government. We have consistently undertaken to see that those programs were accorded priority.

Mr. KUCHEL. I thank the Senator from Georgia.

Mr. RUSSELL. And certainly nothing this committee has done would stand in the way of the Department's recognizing this program.

Mr. KUCHEL. I thank the Senator from Georgia, because I believe the rule the committee has laid down, which the able Senator from Georgia has just now enunciated, is a sound one. Since I happen to find the people of California, whom I have the honor to serve, in the fortunate position of having had their State government comply with that rule, I am equally grateful that the Senator from Georgia has indicated that priority will be given to this type of cooperative activity in the Department's statistical reporting service for California lemons and grapes. Under the Senator's comments respecting the pending bill, it should be clear that California has established a priority for these important objective yield studies.

Mr. COOPER. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. COOPER. I join my colleagues—as I have done every year when I have had the opportunity to do it—in expressing our appreciation and admiration for the leadership of the Senator from Georgia [Mr. RUSSELL] in connection with the handling and development of this bill.

I wish to ask a question. I notice that the committee report indicates that the appropriations for the Department of Agriculture will be, under the Senate committee's version of the bill, approximately \$700 million less than the total carried in the House version of the bill, and \$1,579,800,000 less than the estimates for 1963. Does that refer to the budget estimates?

Mr. RUSSELL. Yes; it refers to the budget estimates. I would be less than frank—indeed, I would be less than honest—if I stated that that represented a saving in expenditures, because it does not.

Mr. COOPER. That is the point I wished to make.

I notice that the two largest reductions are in the items which call for reimbursement of the Commodity Credit Corporation, a reduction of approximately \$400 million, and for expenses incurred under Public Law 480, a reduction of approximately \$700 million. Will those reductions be presented to us later, in a supplemental appropriation bill; or will they be deferred until a subsequent year?

Mr. RUSSELL. They will be handled in either one or the other of those ways. I cannot advise the Senator from Kentucky which route the Commodity Credit Corporation will pursue. He knows that until last year this program was carried on altogether on the basis of taking these commodities from the Commodity Credit Corporation inventory, and then submitting, each year, an estimate of the amount needed to repair the capital structure of the Commodity Credit Corporation. Last year the administration of the Department thought it wise to get an advance appropriation on an estimated basis for these purposes, and we appropriated \$1,600 million for Public Law 480 purposes. At the end of the year, those funds were expended; and they had, in addition, unreimbursed costs totaling \$384,855,000.

The committee is now endeavoring to get this program on either one basis or the other. It is confusing enough, at best, without having to trace it through one line of appropriations and then go through another line—for repairing the capital structure of the Commodity Credit Corporation for these amounts taken out of it.

In my opening statement I said we made perfectly sure that adequate funds were available in order to carry over until the next calendar year—not the next fiscal year—so they could either submit requests for current appropriations, or else could request funds to restore the impairments in the capital structure of the Commodity Credit Corporation.

Nothing in this bill would deny the Commodity Credit Corporation the funds needed for the program it has in mind under Public Law 480.

Mr. COOPER. Under basic law?

Mr. RUSSELL. Yes.

For example, we allowed \$700 million for sales for soft currencies. Certainly that should be enough for 4 months.

Mr. COOPER. The committee is proposing, is it, that the amounts made available in this bill should follow such sales, rather than be appropriations in advance?

Mr. RUSSELL. No; I am afraid we are doing it both ways in this case. But we are asking them to elect and choose either one way or the other, because in this bill we appropriate funds—to make good for their actual operations—over and above the \$1.6 billion we gave them last year. We also recommend the appropriation of \$2,066,955,000 to enable them to repair the capital structure for the regular realized losses.

Mr. COOPER. Might this also mean that the great increases in appropriations, which the Senate is sometimes charged with making, could no longer be charged against the Senate, and that the other body might have to initiate some appropriations to care for these costs?

Mr. RUSSELL. I admit that some of the members of the committee of the other body were rude enough to indicate that that might be considered to be the effect.

Mr. COOPER. But the indicated saving—

Mr. RUSSELL. No; we do not claim that it is a saving. In my statement I said that this is largely a paper saving.

I wish I could say it is a saving. Certainly it would be a very substantial one—\$1.2 billion below the appropriations carried in the bill last year. But I could not in good conscience say that, because it is entirely possible that the amount spent this year under the Public Law 480 program will be in excess of the amount spent for this purpose last year.

Mr. COOPER. I should like to state for the record that last year the administration proposed that farmers holding tobacco allotments should be permitted to lease the allotments or transfer them to other persons, changing the present law that the allotments should run with the land.

It was not related to appropriations, but was in legislation which came before the Senate Committee on Agriculture.

Mr. RUSSELL. I remember the legislation, but I am afraid I cannot give the Senator much information about it.

Mr. COOPER. As enacted, the bill did not include burley tobacco allotments, because I considered it might lead to the concentration of allotments in the hands of the few and the wealthy, or could lead to abuses, and moved in the committee to exclude burley from the provisions of the bill. So burley tobacco was not included.

Later the Department of Agriculture proposed that the method of keeping records of tobacco sales be changed.

I am sure the Senator knows, because tobacco is raised in his own State, that a record is kept of the number of pounds of tobacco sold by each farmer when he brings his crop to the auction sale warehouse. This record is kept on the marketing card held by each farmer having a tobacco allotment, and on two duplicate slips stapled within the card—called "memorandums of sales." The auction warehouse keeps one copy, the seller keeps the original, and one copy goes to the county ASCS office.

The Department of Agriculture last year proposed that this system of keeping a record of tobacco production and marketing be eliminated. The delegation in the Senate and in the House from the State of Kentucky opposed that proposal, for the main reason that this is a method of assuring, in fairness to all tobacco farmers, that the allotments of tobacco acreage shall be followed. It is a protection against abuses and irregularities.

The Department argued that abolishing these records would save some money. It might for a time, but I say it is much more important to keep this method of protecting the system of allotments, and of protecting farmers against abuses and irregularities, than it is to effect a small saving.

I raise this point because I notice that the Statistical Reporting Service of the Department of Agriculture has asked for additional funds to assure better crop production records, and that these funds have been provided in this bill by the Senate Committee on Appropriations.

These funds have been provided—according to the reason given by the De-

partment of Agriculture—in order to obtain better crop production figures by States and counties. So I hope that the Department will not, on the other hand, propose again this year to eliminate the method of keeping accurate crop production records of tobacco by States and counties—a method which also prevents the kind of irregularities and abuses which are taking place in other crops.

If this method of keeping tobacco production and marketing records is abandoned, it may lead to abuses and irregularities—I do not say by many farmers—but by enough to be unfair to farmers who faithfully follow the program and perhaps to destroy confidence in the program.

Last year, when I found out about this proposal, which had not been discussed with the tobacco organizations or interested farm groups, I immediately wrote the Secretary of Agriculture, on December 6, 1961. On December 18, I received his reply dated December 15, saying the decision had already been made through a memorandum which was dated December 12—several days after I urged that no such step be taken without an opportunity for discussion. Later, after questions were raised by several Members of Congress, and after protests by the groups affected, the decision was reversed, or at least suspended for a time. But I do not know that the matter has been finally disposed of; it could arise again.

Madam President, I ask unanimous consent to insert in the RECORD at this point copies of my letter of December 6 to Secretary Freeman; his reply; my letter to the burley cooperative after suspension of the proposal was announced, and a portion of my statement to the Appropriations Committee earlier this year at the time hearings were being held on this bill. I ask also to include my letter to Assistant Secretary McClain and his reply, in 1959, when the same proposal was made during the previous administration.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DECEMBER 6, 1961.

The Honorable ORVILLE L. FREEMAN,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: I understand that some consideration is being given to changing tobacco marketing cards so as to eliminate the memorandums of sales. This is the part of the marketing card on which is recorded the number of pounds of tobacco sold by the farmer. A copy is kept at the auction warehouse, sent to the county ASCS office to be posted on the farm record, and appears finally on the marketing card kept by each farmer.

The memorandum of sale has been a primary record in the past. I am convinced it has played an important part in maintaining a sound program. I think Kentucky tobacco organizations are agreed that it has been useful and necessary.

I know you are keenly aware of the problem in many crops of managing not only the number of acres planted, but also the number of units produced on those acres. Without accurate records of individual farm sales, the successful tobacco program could become subject to some of the problems experienced by other crops.

It may be that the memorandum of sale is not always used to full advantage to guard against excess production. But failure to fully use this check on performance is no reason to abandon the safeguards offered by the procedure. For example, the very fact that farmers see their sales in pounds recorded against their allotted acreage, and are given this record to keep, is important in maintaining their confidence in the strict administration of the program.

The memorandum of sale in its present form may not be the only procedure through which an accurate, complete and convenient accounting of individual farm sales of tobacco can be maintained. I do not object to considering or testing alternatives which can be shown to accomplish as well the purposes of the present tobacco marketing card. However, because the present system has worked well and is proved and widely accepted, I ask that no steps be taken which could lead to its abandonment without advance notice to me and an opportunity to discuss this matter with you.

Consistent and effective administration of the tobacco program is of vital importance to my State. I think you understand my deep interest in the tobacco program as one of the sponsors of the basic legislation, and one who has fought to maintain a sound and effective program. I would like to be kept informed on this question, and if a change is considered would also want to consult with Kentucky groups which are most familiar with the tobacco program, to make sure that any change would be acceptable and understood by Kentucky tobacco growers.

Sincerely yours,

JOHN SHERMAN COOPER.

DEPARTMENT OF AGRICULTURE,
WASHINGTON, D.C.,
December 15, 1961.

HON. JOHN SHERMAN COOPER
U.S. Senate.

DEAR SENATOR COOPER: This is in reply to your letter of December 6, 1961, concerning memorandums of sale in tobacco marketing cards.

The Department recently made an administrative decision to discontinue the use of memorandums of sale in marketing cards for farms planting within their allotments. The attached statement provides in some detail complete information regarding the change. Knowing of your interest in the tobacco program, we felt that you would like to know the background, reasons, and effect of the decision. We are convinced that the change will permit county ASCS committeemen to make better use of available administrative funds in administering the tobacco program.

Your letter indicates that the change involves elimination of some basic individual farm records. You will note from the statement that individual farm production records will be maintained in the county ASCS offices as they have been in the past. We did not consider this a policy change and in view of that saw no reason to check the question with the various farm organizations in the several tobacco producing States. However, we are furnishing farm and warehouse leaders copies of the attached statement and requesting that they contact Department representatives if they have questions concerning this decision.

We hope this statement clarifies the question as to what is actually involved. If after reviewing the statement you have further questions, please let us know, and, if you wish, representatives of our ASCS Tobacco Division will be happy to discuss them with you.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

APRIL 5, 1962.

Mr. JOHN M. BERRY,
President, Burley Tobacco Growers Cooperative Association, Lexington, Ky.

DEAR MR. BERRY: You were advised last week, I am sure, that instructions have been issued to the State ASCS offices that the memorandums of sale and the field representatives will be retained this year.

I am glad that the Department of Agriculture has reversed or suspended its decision to eliminate the memorandums of sale and take the warrant writers out of the auction warehouses at sales time. For, I did protest the decision as soon as I heard about it, and took steps to announce it so that others could properly make their views known. As you know, I also talked to Secretary Freeman about this when he came to see me.

I know that the suspension of the decision is the result of efforts by many interested members of Congress and by the leadership of tobacco organizations and tobacco-State farm groups. I think we were all agreed on this matter, and were glad to work to keep the present tobacco record system.

Sincerely yours,

JOHN SHERMAN COOPER.

P.S.—I also mentioned this last month before the Appropriations Committee, and I am enclosing a copy of my statement in case you have not seen it.

STATEMENT OF SENATOR JOHN SHERMAN COOPER SUBMITTED TO THE SUBCOMMITTEE ON AGRICULTURAL APPROPRIATIONS, MARCH 23, 1962

* * * * *

CROP PRODUCTION RECORDS

I notice the Statistical Research Service is asking for additional funds to provide more reliable crop production figures by States and counties. It has requested \$750,000 to extend better statistical sampling to four more States this year. Yet, another great arm of the Department, the Agricultural Stabilization and Conservation Service, is taking steps to eliminate one source of the accurate production figures and individual farm histories we already have on one basic crop—tobacco. This information is important to the tobacco industry, to the operation of the successful tobacco program, and to the counties in which tobacco is an important source of income.

I point out that complete tobacco production figures—not a statistical sampling, and including State and county figures for each type of tobacco—are already kept. This is accomplished through the memorandum of sale, which is the part of the tobacco marketing card on which is recorded the pounds of tobacco sold by every farmer. It is filled out by Department employees in the auction warehouses at sales time. Yet, the Department has announced that it is eliminating the memorandums of sales, on which county and State crop records have been based, and is substituting an unproved system in which tobacco organizations have expressed no confidence.

I have urged Secretary Freeman not to abandon this record system, as have other Members of Congress. For complete tobacco crop records are only one of its benefits; its first purpose is to protect growers who comply with the tobacco program.

This committee should know that while some officials of the Department are asking for additional funds each year to do more sampling and make better crop estimates, others seem to want to throw away one of the most reliable record systems for any crop, that for tobacco. If this is done, I think they will find it necessary to return to Congress in future years for money to improve tobacco program compliance and the records of tobacco production, sales, and yields. If the Department's decision to abandon the memo-

randums of sales is not changed by the time the agricultural appropriations bill is reported by this committee, the committee may wish to specify in the bill that the present economical and complete records of tobacco farm sales be continued.

U.S. SENATE,
COMMITTEE ON PUBLIC WORKS,
March 9, 1959.

Hon. MARVIN L. McLAIN,
Assistant Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.

DEAR MR. McLAIN: I understand a proposal has been made to eliminate the memorandums of sale from the tobacco marketing cards issued to every producer. I believe such a move would strike at the heart of the marketing controls which, coupled with strict acreage allotments, have made the tobacco program workable and effective.

Accurate and complete individual sales records are essential to the tobacco production-control program. Knowing that the customary impartial and automatic record of marketings might be abandoned could cause farmers to lose faith in the effectiveness of the production-control program, with disastrous results. The problems and cost of checking on acreage compliance would then be multiplied, and the Department's job of performance checking would be made far more difficult. It would open the door to a number of improper practices, which are now effectively prevented. To argue that these records are not needed because so few farmers have excess tobacco is like urging that a police force be disbanded because of a good record of crime prevention.

I know of no knowledgeable or experienced tobacco leaders in Kentucky who do not view this proposal with dismay. I do not believe the proposal is motivated by any desire to undermine the effectiveness of the tobacco program, but I believe that would be its effect.

I recognize that maintaining records of individual sales involves some expense, but this is a relatively small part of the cost of enforcement of the program. If they are essential to the program, as I consider them to be, these records must be maintained.

The effectiveness of the present tobacco marketing cards has never before been questioned. They have been in use since the beginning of the program, and are central to its operation. Without the memorandums of sales, I believe the marketing cards might soon become meaningless.

Efforts to prevent marketing of excess tobacco on another producer's card, to discourage production on hidden fields, to control "pickup tobacco," and in fact to enforce acreage compliance, would be seriously endangered.

I strongly urge that any consideration being given to abandoning the present primary sales records be brought to a close immediately. If it is not, I fear the claim will be made that the entire tobacco program is under attack, through the means of making the production-and-marketing control system ineffective or unworkable.

I ask that this matter be resolved so that there will be no delay in issuing to growers their 1959 tobacco marketing cards—including the primary source record, in duplicate, of individual farm marketings. If, at some later time an alternative method is developed of maintaining accurate and effective individual sales records, I hope it will be discussed with tobacco leaders and interested Members of Congress before any action is taken to replace, or delay issuance of, the customary marketing cards—which represent the most tangible evidence tobacco farmers have that their program is being operated impartially, equitably and effectively.

Sincerely,

JOHN SHERMAN COOPER.

DEPARTMENT OF AGRICULTURE,
Washington, D.C.,
March 19, 1959.

Hon. JOHN SHERMAN COOPER,
U.S. Senate.

DEAR SENATOR COOPER: This is in reply to your letter of March 9, 1959, concerning the possibility of eliminating the memorandums of sale which are currently used in connection with the tobacco marketing quota program.

In the interest of economy and efficiency in Government, we are constantly seeking ways to decrease the cost of administering programs which are assigned to this Department. We have no intention of abandoning memorandums of sale unless a substitute can be developed which will be just as effective in providing necessary enforcement characteristics and which will be less costly.

We assure you that no change will be made in this respect until you are consulted. We appreciate your interest in this program.

Sincerely yours,

MARVIN L. McLAIN,
Assistant Secretary.

Mr. COOPER. Madam President, I wanted to put that statement into the RECORD because the Committee on Appropriations has made available additional funds for the Statistical Reporting Service so that it may keep records of crop production. I hope the Department of Agriculture will not abandon the present method of keeping accurate records of production under the tobacco program.

Mr. RUSSELL. I appreciate the Senator's statement and concern. Of course, as the Senator knows, we have had research in this area for some time, and the committee is not advocating the step of which the Senator complains.

Mr. COOPER. No. It was a proposal made by the Department of Agriculture.

Mr. RUSSELL. That would be a matter of regulation within the Department of Agriculture.

Mr. HUMPHREY. Madam President, will the Senator yield to me on this point?

Mr. RUSSELL. I yield.

Mr. HUMPHREY. As I understand, the bill, as reported by the House, provided about \$529 million more than the Senate on title IV in the bill, known as the foreign assistance programs. The House provided \$211 million more on the Commodity Credit Corporation's obligations under price supports.

I want to ask the chairman of the subcommittee whether it is his belief that the Commodity Credit Corporation can fulfill its obligations under existing law for the total fiscal year 1963 with the funds appropriated by the Senate committee.

Mr. RUSSELL. No, I do not think so, for the whole fiscal year. I stated it would be so for the calendar year and until the next Congress convened and had an opportunity to reexamine the program. The Department could do it if it greatly reduced the program, but it could not do it with a program of such magnitude as it has maintained and as it is anticipated it will maintain for the next year. It will be necessary to have a deficiency or supplemental appropriation to repair the capital structure of the Commodity Credit Corporation, or it could reach the stage where it would be

necessary for us to pass legislation increasing the capital structure.

Mr. HUMPHREY. The borrowing power or the capital stock.

Mr. RUSSELL. Yes.

Mr. HUMPHREY. I notice, if the funds which were made available by the bill as reported by the House were to stay fixed for the fiscal year, it is estimated a curtailment of at least \$540 million in title I of Public Law 480 would be necessary in the fiscal year 1963. Based on the commodity distribution of estimated 1963 costs, this would be reflected in the decreases in exports of individual commodities as follows: wheat, 160 million bushels; cotton, 350,000 bales; tobacco, 18 million pounds; dairy products, 35 million pounds; and feed grains, 13 million bushels.

This represents about half of the budgeted program for these commodities.

There is where I got the estimates contemplated to be spent and budgeted.

Mr. RUSSELL. I do not know how the Department has arrived at that, but this committee has no right or authority to impair the capital structure of the Commodity Credit Corporation. We might do it by some kind of limitation, but we did not do even that, but we put in the report that nothing had been done that would hamper the program of the Commodity Credit Corporation in fulfilling its obligations under Public Law 480.

I stated on the floor in my preliminary remarks that the only thing we guarantee is that it would be enough to run the program, even under the great magnitude under which it has been run, into the next calendar year, and not the fiscal year.

Mr. HUMPHREY. I am hopeful the understanding is that after January, going into the next calendar year, if the Commodity Credit Corporation needs additional reimbursement—and that is what this amounts to—for authorized programs, the Senate will have a clear-cut understanding that such reimbursement will be made available where the Department shows the need.

Mr. RUSSELL. The Congress has never failed to reimburse the Department for any impairment of capital structure over the past 10 years. We did it promptly when the need for the funds could be determined. We have also done it on the basis of estimates when the Commodity Credit Corporation itself was not absolutely sure as to what the amount would be.

Mr. HUMPHREY. I know that is the record. I know the Senator from Georgia has always acted in that way.

Mr. RUSSELL. The full faith and credit of the Government of the United States is pledged to make good the capital losses of the Commodity Credit Corporation when incurred in accordance with law.

I will modify that statement by saying that even if it occurred when it is not in accordance with the law, even if it were

done illegally, I think we would still have to make good the impairment of the capital structure.

Mr. HUMPHREY. Of course, we shall have to go to conference on these respective appropriations, and at that time we can adjust the differences between the two figures; but even if a compromise was arrived at, it would not mean that the obligations which the Commodity Credit Corporation assumes under law would not be fulfilled by the Congress under terms of reimbursement. Is that the proper understanding?

Mr. RUSSELL. I just told the Senator that Congress to date never has failed to make good any impairment of the capital of the Commodity Credit Corporation. We have done so in supplemental appropriation bills. We have done it in regular appropriation bills. We have done it in deficiency appropriation bills.

I do not anticipate there will be any change in that program. Certainly there will not be so far as I am concerned.

Mr. HUMPHREY. I am grateful to the Senator.

Mr. RUSSELL. I accept it as a legal obligation of the Government of the United States.

Mr. HUMPHREY. I thank the Senator very much. I was pretty sure that was his view. For the Department, it is rather important that there be a clear-cut understanding as to the congressional intent and purpose.

Mr. RUSSELL. We tried to make it clear in the report of the committee.

Mr. HUMPHREY. Madam President, I ask unanimous consent to have a statement relating to this item printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT REGARDING EFFECT OF 1963 APPROPRIATION ACTIONS ON CCC ABILITY TO FINANCE PROGRAMS

(1) On June 30, 1962, the CCC had in use \$13,892 million of its total borrowing power of \$14,500 million. This left \$608 million available.

(2) Projected net additional use of CCC borrowing power during the fiscal year 1963 (the amount to be used in excess of the balance available on June 30, 1962) amounts to \$3,718 million assuming final passage of a farm bill providing for a continuation of the voluntary feed grain program and a voluntary wheat acreage diversion program for 1963 crops.

(3) Under the House bill, appropriations for reimbursement of realized losses and for Public Law 480 and other special export program costs would amount to \$4,025 million. This would restore CCC borrowing power enough to more than offset the \$3,718 million anticipated to be used in addition to the balance available on June 30, 1962, in the fiscal year 1963. This would leave a very narrow margin of \$207 million available as of June 30, 1963, if estimates of projected use turn out to be accurate.

(4) Under the Senate provision, appropriations for reimbursement of realized losses and Public Law 480 and other special export program costs would be \$3,278 million or \$747 million less than the House bill.

This would result in insufficient borrowing power to finance estimated use. The deficiency as of June 30, 1963, would amount to \$540 million, with no margin for unanticipated demands.

(5) Curtailment of at least \$550 million in title I of Public Law 480 costs would be necessary in the fiscal year 1963. Based on the commodity distribution of estimated 1963 costs, this would be reflected in the decreases in exports of individual commodities as follows: wheat, 160 million bushels; cotton, 350,000 bales; tobacco, 18 million pounds; dairy products, 35 million pounds; and feed grains, 13 million bushels. This represents about half of the budgeted program for these commodities.

(6) In summary, the use of CCC borrowing power as of June 30, 1962, and as of June 30, 1963, under the House and Senate appropriations is as follows: Borrowing authorization, \$14,500 million; borrowing power in use, June 30, 1962, \$13,892 million; June 30, 1963, under House bill, \$14,283 million; and under Senate report, \$15,040 million.

Available: June 30, 1962, \$608 million; June 30, 1963, under House bill, \$207 million; under Senate report, \$540 million.

The deficiency, as revealed in the Senate measure and report, can and according to the chairman will be made up by supplemental appropriations to reimburse the CCC. This is reassuring. It means that the proposed budgeted programs can and should go forward on schedule.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Florida.

Mr. HOLLAND. The Senator will recall that Congress has granted a small appropriation—I believe \$84,000 a year—for the furnishing of planting information as to the amount of acreage planted in two highly perishable winter crops, tomatoes and celery, affecting the States of Florida, Arizona, Texas, and California. Dr. Trelogan of the Department of Agriculture testified before the subcommittee that the program had been exceedingly helpful in reducing and controlling the amounts of planting. It is my understanding that that item, though not specifically mentioned, is included in the terms of the present bill and would be included under the appropriation. Am I correct in that understanding?

Mr. RUSSELL. Yes, Madam President.

I appreciate the diligence with which the Senator protects the item for his State. He knows that once an appropriation is made in this manner we do not thereafter always spell it out. The budget estimates which show how the funds would be spent under the bill come in four volumes. The bill would be extremely thick if we were to attempt to spell out each item.

It is my understanding—and I do not think it would be controverted—that this item is included in the budget estimates. If we ever start a program we can continue it without spelling it out by name, but we cannot stop it without spelling it out.

Mr. HOLLAND. I thank the distinguished chairman. That is how I un-

derstood the situation. Some people in my State had expressed doubt about it. I wanted to show affirmatively that the item was contained in the bill.

Mr. RUSSELL. My understanding is that it is.

Mr. HOLLAND. I thank the Senator.

Mr. ROBERTSON. Madam President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Virginia.

Mr. ROBERTSON. The distinguished Senator from Georgia will recall that during the markup of the bill by the subcommittee I requested the inclusion of an item for the construction of a laboratory at the Virginia Polytechnic Institute, to study the expanded use in rural areas of electricity. There was no budget estimate for the item, and the committee turned down the request, although it did receive pertinent testimony from Department of Agriculture officials that it was in favor of a study as to how the use of electricity could be expanded and be of further benefit to our farms, which would be worth while.

Would the Senator be willing to comment, in case there is a budget estimate for next year?

Mr. RUSSELL. Madam President, the diligence of the distinguished Senator from Virginia in this regard is certainly to be commended. I think this is the third year he has pressed the claim of that great educational institution, the Virginia Polytechnic Institute, to be the site of this proposed laboratory to deal with rural electrification research.

Though the Department has not officially spoken, individuals in the Department in the field of research have expressed interest in having a laboratory established. There have been other sections of the country which likewise have presented their views on and claims for the location of a laboratory. I will say that none of them brought up as handsome a brochure as that which was presented by the distinguished Senator from Virginia to the committee this year.

We have wrestled with this question in the committee over a period of years. The Department has not obtained a budget estimate for this work, so we did not include the item. There were other handicaps.

I assure the Senator that if the Department submits a budget estimate and seeks to locate the facility in or around Blacksburg, Va., that the committee will certainly give careful consideration to that item.

The Senator has been very diligent. He has fought the good fight for this laboratory. He has expressed great interest in seeing that new and as of now unknown blessings from the use of electricity can be brought to the farm families of this Nation.

Mr. ROBERTSON. I thank our fine chairman.

Mr. HUMPHREY. Madam President, would the Senator yield, before we leave this item?

Mr. RUSSELL. I yield, but I will state, before the Senator asks a question, that the distinguished Senator from Minnesota has likewise vigorously pre-

sented the claims and merits of the proposition of locating the laboratory, in the event it should be established, near the University of Minnesota, in St. Paul, Minn.

Mr. HUMPHREY. The Senator is correct.

Mr. RUSSELL. He has called to the attention of the committee the fact that there is a great unused federally owned facility which is near the university, which would be admirably adapted for the operations of this experiment, and that it already contains various forms of electrically operated machinery which would be helpful and might—might—reduce the cost of the laboratory below the \$1.8 million which has been suggested.

Mr. HUMPHREY. I thank the Senator for his prophetic vision in sensing what my interrogation might be. I suppose he is somewhat used to hearing the colloquy.

I say to my good friend from Virginia, I know that the brochure which was presented from Virginia was outstanding and excellent. I am hopeful that when the Department makes its recommendations it will sense the importance of having both the great State of Virginia and the equally great State of Minnesota as sites for these REA laboratories. Both are needed.

The Senator from Virginia made a good case. I wish to be very fair about it. The only difference is that I would have given some free land with my proposition, and some free buildings.

I do not wish to act too competitively about this, because what I should like to have is coexistence with my friend from Virginia. I am of the opinion that if we will team up together, from both north and south of the Mason-Dixon line, we might be able to get these REA laboratories a little sooner than some people think.

Mr. ROBERTSON. The important thing, of course, is to help the farmers.

Mr. HUMPHREY. That is correct. We are going to do that in Virginia and Minnesota.

Mr. RUSSELL. Madam President, I would not be completely fair to those who have honored me by sending me to this body if I did not state that there is a large body of opinion which thinks the most desirable location for this laboratory in connection with the proposed research work is the Georgia School of Technology and experiment station at the University of Georgia.

There is no budget estimate before us, so the issue is not to be determined at this time. In view of the statements which have been made, I thought it only fair that I should say there were those who thought that this facility could be operated to the benefit of all the Nation from that area.

It is interesting to note, Madam President, that there has been considerable research work done in this area. The Federal Government and the States will spend in the year 1963 \$1,196,800, largely at 15 State agricultural experiment stations which are operated in cooperation with the Federal Government.

The National Association of Electric Companies reports that the electric companies are spending approximately \$5 million a year for research on the various uses of electricity. This includes such items as grain drying, air conditioning of barns, tobacco curing, poultry ventilating, calf bedding, and the like.

In addition, there is approximately \$3 million being spent annually on experimental farms, on scholarships to agricultural universities, and in work with such organizations as 4-H Clubs and the Future Farmers of America, on the utilization of electricity on the farm.

Of course, all of that very considerable work would undoubtedly be given added momentum with the laboratory proposed to be established.

Madam President, I have before me a large number of charts and tables of one kind or another, particularly relating to the operation of the Commodity Credit Corporation. One of them is very simple. It includes the net expenditures for the fiscal years 1952 to 1961 and estimated inventories as of August 10, 1962. It shows expenditures by commodities, and is so simple that any one could understand it. Without cluttering up the RECORD with all the other tables I have before me, I ask unanimous consent that that particular table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMMODITY CREDIT CORPORATION

Net expenditures, fiscal years 1952-61, and estimated inventories as of Aug. 10, 1962

[Millions of dollars]

Commodity	Net expenditures fiscal years 1952-61	Estimated inventories as of Aug. 10, 1962, and tobacco loans as of May 31, 1962, value
Feed grains:		
Corn.....	4,085.1	712.4
Grain sorghums.....	1,379.0	713.7
Barley.....	442.6	26.6
Oats and rye.....	148.7	12.0
Total, feed grains.....	6,055.4	1,464.7
Wheat and flour.....	9,411.6	2,104.2
Rice.....	773.7	.2
Other grains.....	163.6	115.4
Total, grains.....	16,404.3	3,684.5
Cotton.....	3,168.6	249.2
Dairy products.....	2,358.8	348.7
Tobacco.....	498.4	1318.4
Total of above.....	22,430.1	4,600.8
Interest and general overhead.....	2,261.3	-----
Change in loans held by banks.....	2,556.2	-----
Bartered materials transferred to supplemental stockpile.....	1,008.8	-----
Public Law 480 commodities not listed above and related costs not segregated by commodity (transportation estimated).....	972.8	-----
All other.....	121.5	4.2
Total, CCC.....	26,238.3	4,605.0

¹ Loans.

² Denotes net receipts.

³ Public Law 480 actual receipts from sales of foreign currencies and rentals from military housing have been credited to the commodities on a pro rata basis since the accounting records do not segregate such receipts by individual commodities.

NOTE.—Excludes special milk, National Wool Act, drought emergency feed, and other minor special programs.

Total realized cost (loss), fiscal years 1952-61

[In millions of dollars]

	Fiscal year 1952	1952-61	Fiscal year 1961
All grains.....	196.2	11,116.4	3,358.9
Dairy products.....	1.1	2,520.6	248.2
All other commodities, programs, interest and general overhead.....	82.8	8,468.0	1,627.0
Total.....	280.1	22,105.0	5,234.1

NOTE.—Public Law 480 actual receipts from sales of foreign currencies and credits for currencies used in military housing construction have been credited to the commodities on a pro rata basis since the accounting records do not segregate such receipts by individual commodities.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Madam President, I shall not detain the Senator long. I call the Senator's attention to a statement in the middle of the fourth paragraph on page 13 of the report—

The committee believes that in some areas of the country the travel, per diem, and related expenses for county offices and the use of committeemen have been excessive. The use of county committeemen should generally be limited to advisory functions, explanation of program changes, and to the general oversight of county office operations. Their use in visiting individual farms and in the administration of county office program activities should not be continued.

That language was very disturbing to me in the light of our experience in our part of the country with county committeemen. We have a little different background and experience in the Midwest than those in the Northeast and in the South. We like the system the way we operate it. I merely wish to be sure there is nothing in the bill that could be interpreted as preventing the elected county committee people from making visitations which the law itself requires. I have never been very much of an advocate of the so-called county manager system.

I conducted an investigation of that subject some years ago when I was a member of the Committee on Agriculture and Forestry. I found them, and I find now, the same sort of things going on under the county manager system. It does not seem to make much difference whether it is a Republican administration or a Democratic administration. I have had a longtime interest in the farm committee system and its responsibilities for the administration of the program.

I wondered how the Senator interpreted that particular matter. I have learned that the county committeemen were putting in an average of less than 52 days a year. That was a little bit more than in 1961 but less than in the years 1950 through 1954, and less than in 1957.

The point which interested me most in the report was that there is a great deal more flexibility as to manpower in our farm program administration than in any other governmental endeavor that I know about. Almost any agency confronted with a new program of the magnitude of the feed grain program and the wheat program would first of all, have to go out, on great recruiting ven-

tures. In that farm program the committee and their hired personnel absorbed much of the new work, as farm people and their hired helpers have been doing throughout our history.

With the feed grain program and the wheat program and the signups that are necessary under these programs, we should not prevent county committeemen from doing their duty, because they are not reimbursed, nor should we require them to fail to stay in the office and do a poor job because they cannot observe what is going on.

I understand the Senator from North Dakota [Mr. YOUNG] was very much upset about that provision in the committee.

Mr. RUSSELL. Madam President, the Subcommittee on Agriculture Appropriations has consistently supported the committee system. We have manifested that support. If the Senator from Minnesota had been in the Chamber, he would know that we have already added \$30 million to the bill for the administration of the farm program even before it has passed.

Mr. HUMPHREY. I understand that.

Mr. RUSSELL. So we do not intend to strike down the committees.

On page 576 of the hearings the Senator will observe that some questions were asked by the Senator from North Dakota [Mr. YOUNG] and by the chairman as to travel. It was stated that committeemen were going from farm to farm to inform farmers about the program, instead of having meetings to which people could come and receive information as to what was going on. Of course, the committeemen must travel from farm to farm; otherwise there would be no way to check on the several programs.

Mr. HUMPHREY. The Senator is correct.

Mr. RUSSELL. Of course, what I have said has no reference to that subject. We did request a breakdown from a few States, which was supplied by the Department and appears on page 965 of the committee hearings. The figures for the State of Minnesota were not among those furnished. But if the Senator will look at the table, he will see that there is a vast difference in the to-and-from travel items as between some of the States.

Mr. HUMPHREY. Yes. I can help the Senator by stating why. If the Senator had examined the figure for my own State, he would have seen a large travel item. The reason is that we had over a 70 percent signup on the feed grain program. We saved the Government several million dollars because of that signup.

How was that signup achieved? By going from farm to farm. That is the way we did it before. That is why Minnesota had more than an 80-percent participation in the price support and acreage limitation program back in the late 1940's and early 1950's. This was because we had our committeemen at work.

I noticed that North Dakota had a large travel allowance. I know why. If we are going to sign up farmers under

the emergency wheat program or under the feed grain program, we must go out and get the signatures.

Mr. YOUNG of North Dakota. Madam President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG of North Dakota. I would have to disagree with my friend from Minnesota as to that kind of travel. I believe it is necessary to hold educational meetings throughout counties by the county committeemen and the staff members, but I believe the business of going from farm to farm by committeemen and urging farmers to sign up is overdone. I do not think it should be a part of the program. The Senator will note the vast difference between States. In some places it is apparently being overdone.

Mr. HUMPHREY. There is a vast difference between feed grain production in Mississippi and feed grain production in Minnesota. There is a vast difference between production in Minnesota and Ohio. I know my program in the State of Minnesota.

Mr. RUSSELL. That may be true, but in Georgia every farm is under quota.

Mr. HUMPHREY. Yes. That is a cotton program.

Mr. RUSSELL. It is not all cotton. Peanuts, tobacco, and rice are also grown, and every one of the farmers is put under strict limitations.

The committeemen must go out every year to see that the limitation has not been exceeded. The Senator comes from that blessed section of the country that does not operate under very rigid quotas.

Farmers in my area have been required to plow up a half acre of ground in cotton, in which he has already invested his fertilizer and his labor. The crop had almost reached the stage of maturity. But he had to plow it up before he could market any of his cotton crop. It was wasted.

There must be a great deal of travel by committeemen in Georgia. We have some feed grains. There is nothing like as much as there is in Minnesota, but there is a very substantial quantity.

Mr. HUMPHREY. I do not know what the travel expenses in my State were last year. I am not trying to select one particular State. However, I do know that we had the highest percentage of feed grain participation of any State in the Union. I know how that was achieved. I understood that it would be done as we wanted it to be done, and that if the feed grains were reduced the Government cost would be reduced and the Government would save the cost of storage. In our State, represented in this body by Senator McCARTHY and myself, we had the largest signup of farmers in the entire Nation. I do not know what their travel allowances were. I do not have a report on it. However, I want to make sure that we do not set up a system whereby all county management all over the country will be done by junior bureaucrats. Some of them, I might say, do not know the difference between a corn cob and a ukelele. I do not want that kind of person telling farmers what their farm program should be. I saw that happen be-

fore. I do not like it. As long as I am a Senator from the State of Minnesota I do not intend to have it happen in my State. It was a no-good program in the beginning, and it has not improved much. I just want to be sure that the county committee system is not being disrupted unduly.

Mr. RUSSELL. We have no intention of doing that. I am amazed that men as ignorant as the Senator has described, who cannot tell the difference between a corn cob and a ukelele, should be employed as county office managers in Minnesota. There is no one in Georgia, certainly, who does not know the distinction that the Senator has described.

Mr. HUMPHREY. The Senator would be surprised at some of the things that have taken place. When the Senator from Missouri [Mr. SYMINGTON] looked into the subject of the county committee system down there, what was happening there was not very encouraging.

Our people do a good job. We have not had any corruption. We have not had any complaint. I want to be sure that there is nothing in the report that will interfere with that system. I do not want anything done to interfere with their mobility, their movement around the State. I do not want them going on picnics. I am not asking that they be sent on free trips all over the State at the expense of the Government. There are quite long distances between some points in our State.

Mr. RUSSELL. The distinguished Senator from North Dakota [Mr. YOUNG] happens to be the only Member of this body who has actually served on a county committee. As a real dirt farmer, he was elected by the farmers of his home county to help run the farm program before he was elected by all of the voters of North Dakota to the Senate. When he speaks, it is out of his actual experience as a committeeman who has worked with the farm program in a rural county. I look to him for advice on issues of this kind.

While I do not want to curtail the program, neither do I want to see undue travel allowances made, as could be the case in some instances. There must be travel. Everyone knows that, because they must check on these things. They can only do that by visiting the farms. This language is merely an admonition to them, to send word down the line not to abuse this regulation and restriction. I hope the word is sent down, and that if there are any abuses they will be corrected. If not, Congress will be here next year, and can deal with it.

Mr. HUMPHREY. I thoroughly agree with what the Senator has said. The line that bothered me was:

Their use in visiting individual farms and in the administration of county office program activities should not be continued.

Mr. RUSSELL. That should have said, "probably," or "unnecessarily." We realize that there must be some

visits to the individual farms, to check on compliance.

Mr. HUMPHREY. I appreciate that statement. That is the kind of discussion I think is necessary to clarify these words.

Mr. YOUNG of North Dakota. Madam President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG of North Dakota. There are two kinds of travel outlined in the hearings, at page 965 of the hearings. One of them is by the committeemen to the farms, and the other by employees. In my State travel by committeemen cost \$25,351. By other employees it was \$225,371.

The travel by other employees is the travel by the people who check compliance. The committeemen rarely check compliance. I am one who feels that the activities of county committeemen should not be curtailed as they were by the previous administration. I do not like to see them though go hog wild and travel all over the county at Government expense. One of the reasons why the program is being criticized by farmers is that they see these county offices being built up with additional employees, at additional expense, all of which comes out of the program.

Mr. HUMPHREY. There are no more than five committeemen in most of the States. I do not want to see them travel unduly. I believe that the abuse, if any, has been the travel by administrative officers, not so much by the committeemen. The interpretation that has been given today is satisfactory. The language which seems to restrict the use is as follows:

Their use in visiting individual farms and in the administration of county office program activities should not be continued.

If the committee were to say that it should not be abused or should not be excessive, that would be understandable. However, when it says that it should not be continued, that is too much for me.

Mr. YOUNG of North Dakota. I wonder if the Senator from Georgia would object to having this table printed in the RECORD.

Mr. RUSSELL. I was going to offer it for the RECORD, if I have not already placed it in the RECORD.

Mr. YOUNG of North Dakota. I ask unanimous consent that the table at page 965 of the hearings be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TRAVEL EXPENSES OF COUNTY COMMITTEEMEN

The information requested was furnished by five ASCS State offices. They estimated the distribution of the total county office travel expense for the fiscal year 1961 as shown below on the basis of data from five representative counties. The travel to and from farms by committeemen includes travel by county and community committeemen in carrying out their work as committeemen.

State	Travel to and from farms		Other travel	Total travel
	Committeemen	Others		
Georgia.....	10	\$95,897	\$79,837	\$175,734
Kansas.....	\$38,531	208,122	97,657	² 344,310
Mississippi.....	10	154,462	16,782	171,244
North Dakota.....	25,351	225,371	152,569	³ 403,291
Wisconsin.....	12,582	115,662	23,344	151,588

¹ Committeemen were not paid travel expenses for making farm visits.

² Includes \$104,300 for CCC price support and storage.

³ Includes \$172,103 for CCC price support and storage.

FARMER COMMITTEE SYSTEM

Mr. HUMPHREY. Madam President, my longtime interest in the farmer committee system for administration of farm programs leads me to focus attention on a statement in the committee report. The statement is that expenses for the work of county committeemen in some parts of the county have been excessive.

My observations and inquiries have led me to believe that county committeemen hold down expenses and make program administration more economical than it could be under any alternative system that has been considered or suggested. One reason for this is that committeemen are usually busy farmers who do not want to spend any more time than necessary away from their own work. Most of them can make more money per day working for themselves than they can make carrying on public service duties as committeemen. All of them are taxpayers who believe in economy. And I do not know any committeemen who go around looking for opportunities to make decisions involving their neighbors' business and which cannot always be popular. I have always thought we as a nation were very fortunate that this innovation in public institutions, the farmer committee system, was developed and used—not only because farmers want important decisions made by their peers but also because the system makes available to the public a great reservoir of technical competence in all localities where it can be drawn upon when and as needed, on a per-day basis rather than on an annual salary basis.

It would be very disturbing to me if the statement in our Appropriations Committee report were interpreted to mean that the farmer committee system is not an efficient, economical administrative mechanism. I feel sure our committee does not intend that its report should be so interpreted.

My interest in the current feed grain and wheat programs recently prompted me to check into the question of manpower required to operate these new endeavors on top of the previous workloads, and I was surprised to learn that the county ASC offices used less total manpower in fiscal year 1962 than in 1958 at the high point of work on the soil bank program. I learned also that county committeemen were putting in an average of less than 52 days a year—that

is that, on the average, each was working less than a day a week. That was a little more than in 1961 but less in the years 1950 through 1954 and less than in 1957. The point that interested me most was that we have a great deal more flexibility as to manpower in our farm program administration than we have in any other governmental endeavor I know about. Almost any agency confronted with new programs of the magnitude of the feed grain and wheat programs would have had to go out first of all on tremendous recruiting ventures. In the farm program agency, the committeemen and their hired personnel simply absorbed much of the new work as farm people and their hired helpers have been doing throughout our history. Even more important, the committeemen know farming, they know their neighbors, they know local conditions. They may not be skilled in office techniques, but they can do the major jobs in farm program administration better than anybody else could ever be trained to do them.

The PRESIDING OFFICER. The bill is open to further amendment, if there be no further amendment, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. MANSFIELD. Madam President, I wish to express, on behalf of my colleague the junior Senator from Montana [Mr. METCALF] and myself, and in behalf of the people of northeastern Montana, our thanks to the chairman of the committee and the members of the committee, both Republican and Democratic, for inserting the necessary funds, in the amount of \$395,000, for the construction of a soil and water research center at Sidney, Mont. We are deeply indebted to them for their consideration.

Mr. HUMPHREY. Madam President, this report means a great deal to me. I refer now to utilization funds, in the sum of \$25 million. The Senator recalls my interest in this matter in the committee. Do I understand that under the utilization of existing Commodity Credit Corporation stocks, and the production that may come into the Commodity Credit Corporation stocks, the utilization research can also include the improvement of fibrous or grain stocks, so as to change their chemical content and thus to make better utilization of them for industrial purposes?

Mr. RUSSELL. Let me say, first, that this is not limited to Commodity Credit Corporation stocks.

Mr. HUMPHREY. I understand.

Mr. RUSSELL. This applies across the board to all agricultural commodities. Some of the finest possibilities for finding new uses are for crops which are now planted in limited areas. If utilization of these crops can be increased, they can then be planted in areas where we are paying large sums to take land out of production, as we do under an

emergency program, or taking it out without payment in the case of commodities that are under quotas.

Mr. HUMPHREY. Such as breeding and the genetic structure of seeds.

Mr. RUSSELL. The committee report deals with that subject, and it was discussed in committee. I invite the Senator's attention to the small addendum to the hearings. In it he will find a statement by the Department on which these appropriations are predicated. That was for basic utilization research. We followed in essence the report that was submitted by the Department of Agriculture. I would not want to undertake to define the scope of this research. It was contemplated that the appropriation would be used in accordance with the detailed report that was submitted to the committee after it had been requested.

Mr. HUMPHREY. I examined the report yesterday.

Mr. RUSSELL. I do not believe it is intended that the money will be spent to increase production research. Production research has gone so far now that it has far outstripped utilization. We have had production research for 100 years, since the Department was created and the land-grant colleges and experimental stations were established. We have had only about 40 years of utilization research, and it has been very small in relation to the appropriations provided for the production research. Consumption should first catch up with present production before we begin to provide substantial increases in appropriations to increase production any further. We do not know what to do with what is being produced now.

Mr. HUMPHREY. This is a comprehensive report. I was hoping that what is provided in the committee bill relating to chemical, biochemical, genetic, and related studies having to do with modification of species, and involving such areas as genetic studies of crop quality characteristics, would enable the initiation or at least some limited beginning out of the \$25 million program.

Mr. RUSSELL. The report, on page 5, contains a statement, under paragraph (15):

Plans have been submitted to the committee for a basic research program dealing with chemical, biochemical, genetic, and related studies having to do with modification of species and involving such areas as genetic studies of crop quality characteristics. This appears to be very complex subject matter, and the Department is expected to analyze this proposal and report on its merits and the need for such research in connection with the hearings next year.

So it is intended next year to consider a quality research program. I can see how that is related, in a way, to utilization; but it would be very delicate to relate it to utilization and new uses research, and it could not be done very readily.

Mr. HUMPHREY. I understand. With the \$25 million, which the bill authorizes, some pilot beginning could get under way. I trust the Department will give the proposal serious consideration.

Mr. RUSSELL. I doubt very much that it is contemplated, but the Department has a very large amount of money in other appropriations which could be utilized for this purpose. The appropriation carried here is \$106,126,500, and the Department can, of course, invoke the use of some of those funds.

Mr. HUMPHREY. The report indicates that this will be done next year. The School of Agriculture of the University of Minnesota, a land-grant college, whose staff are a fine group of men, has been pleading for years to get into the field of utilization and research, to make some beginning in the field of chemical, biochemical, genetic, and related studies.

In the light of the report of the Department with respect to utilization research, this proposal seems to fall within its scope. I do not take anything said now or that was said during the committee hearings as limiting the Department or the Department's research specialists. This appropriation would be advantageous in fulfilling the objectives of utilization and research. I favor utilization research. I have sponsored measures for such research. The Senate has passed such bills twice. I hope the Department will look upon this colloquy as not being in opposition to at least some exploration in genetic, chemical, or biochemical research. We have provided \$25 million. I hope there will be an opportunity at least to get a few thousand, or a few hundred, dollars for a beginning in this type of research. It seems to me that that would be a fair beginning.

Mr. RUSSELL. The bill provides funds for such work, if the Department wishes to make a start in that direction. The college of agriculture in my own State is also much interested in this field.

Mr. MUNDT. Madam President, great progress in the formulation and implementation of new and progressive public policies comes as the results of many minor steps. It seldom comes before us as a novel idea to be accepted or rejected by a single act of Congress.

The attempt to make a king-sized effort to break the barriers which prevent the full utilization of research in opening up new industrial markets for our agriculture products is a case in point. Many Senators and several Members of Congress for at least half a dozen years have been working on the project of winning acceptance for the concept that a full-scale "crash program" of opening up new markets for farm products would provide an economically sound and an enduring solution to what has been before us as a so-called farm problem since the closing days of World War I.

In fact, ever since the early twenties, Congress has been considering and enacting legislation designed to cure that farm problems. A wide array of ideas and programs have been attempted. Some have been abandoned; some have served the country and our farmers well; but the basic reasons for our farm problem remain unremoved and they remain unsolved. Simply stated, the farm problem derives from the fact that the law

of supply and demand is out of balance insofar as farming is concerned. Farmers are able to produce more than they are able to sell at fair and decent prices bringing them their cost of production plus a reasonable profit. Except in times of war or preparation for war, farmers have consistently been selling most of their products for four decades at prices far below parity. Supplies have outrun demand and in a glutted market prices received by farmers have consistently been out of relationship to prices paid by the farmers.

Strangely enough, Madam President, for these same four decades, most of the efforts of Congress and our various administrations—all of the major and more expensive efforts, in fact—have been devoted to trying to correct the "supply end" of the formula of supply and demand. Far too little time, talent, and attention has been devoted to trying to correct the equally pertinent "demand end" of the formula. Consequently, a number of us for nearly 10 years have been suggesting and proposing one technique or device after another to do something effective, practical, and enduring about expanding the demand for farm products to the point where farmers could again receive a fair price for a full crop and look forward to continuing and increasing agricultural opportunities.

The Senate, in previous years, has approved and sent to the House legislation, to set in motion a sizable crash program to explore and develop industrial uses of farm products. It has been my pleasure and privilege to either cosponsor or to author some of these measures. In fact, there is now before the House for the second time this year a Senate-passed farm bill which as title V contains a program very similar to those previously approved for setting in motion a comprehensive program for the industrial utilization of farm products. As a member of the Senate Committee on Agriculture and Forestry, I made the motion in our committee which on both occasions had title V added to the Senate farm bill.

The agriculture appropriations bill now before us contains a different although similar approach to the important task of setting up and operating a program designed to vastly expand profitable markets for farm products through developing and utilizing industrial markets for farm products or for the large family of synthetics which can be produced from farm products. I said earlier on the Senate floor this Saturday afternoon that I consider the \$25 million earmarked and made available in this appropriations bill for that purpose to be the most important and productive investment ever made in American history insofar as finding a lasting and useful solution to our farm problem is concerned. I believe this, most emphatically, Madam President. To get this \$25 million added in the subcommittee, our chairman, Senator RUSSELL, Senator Young of North Dakota, and I collaborated in offering the amendment which both the subcommittee and the full committee approved. I feel confident the Senate will support our action

and I am hopeful the House conferees will embrace it without reducing its amount.

Madam President, for the further information of the Congress and the country, I ask unanimous consent that three pages of the testimony from our subcommittee hearings this year may be printed at this point in the RECORD since they deal specifically with the testimony of Dr. Byron Shaw, Administrator of the Agriculture Research Service, on this subject.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

NEED FOR MORE UTILIZATION RESEARCH

Senator MUNDT. As you know, Doctor, and in a sense I think you share my conviction, we have discussed this many, many times at this stage of the hearing. I am one who feels that as we live through a continuing era of surplus with constantly growing costs of storage and handling of surplus, that it would seem a more realistic utilization of research funds to spend the larger amount on trying to utilize farm products industrially, through new markets, new uses, human or animal consumption. I feel that we should spend a greater percentage of our research in trying to expand the market potential rather than on research which is designed to contribute to the increase in surplus.

Dr. SHAW. I don't believe that our farm research is intended to increase our surpluses.

Senator MUNDT. I know it is not intended to increase surplus but the end result has to be that, under prevailing conditions.

Dr. SHAW. You are correct that on the face of it increasing efficiency usually does carry with it increasing yield. This has aggravated some of the problems.

My own opinion is that we need strengthening in both areas. I would agree with your general view that the relative strengthening should be greater in the utilization area, but we need to strengthen both areas.

Senator MUNDT. I would not quarrel with that. I do too because, as you look ahead to an ultimately larger population you need constantly, of course, to increase the efficiency of production. But faced, as we have been for a long time, you might say in peacetime for a quarter of a century, with surpluses because we are unable to use them, it seems to me that somehow or other we have to crack through the sound barrier and actually utilize some of these surplus commodities industrially. Your research institutions at Peoria and elsewhere have come up with some very fine discoveries and developments. But it seems to me that the lag is in getting them commercially utilized. Human nature being what it is, people don't like to change their method of production, their sources of raw material, the machinery involved, and many other factors. How do you get the discoveries out of the laboratory where you have proved their feasibility into the field of actual production and utilization?

ADOPTION OF NEW PRODUCTS BY INDUSTRY

Dr. SHAW. When we develop a new product, one of the first things we do is to bring to our laboratory a group of industry people who would likely have an interest in it. If, for example, it is a starch product, we meet with representatives of the milling industry or manufacturers who would be concerned, and show them the benefits of our work. These meetings often result in further experimentation by the industry in their own plants using our materials and processes, to see how it can be adapted. This often leads to the adoption by the industry of the product or process.

Now, in some cases we have things that we thing will go and we can't get any takers.

Let me mention just one of these. We developed a dialdehyde starch (an oxidized starch) which could be used to make good tanning agents. At present, we import our tanning materials. This starch has advantages in that it would cut down the time for tanning leather from weeks to days. It also had many other desirable properties. So we made contacts with the tanning industry to see if they would be interested. They said they were generally interested in the product, but where was the market, where was a supply of this material, where could they buy it? Until there was a supply they were not going to be interested in using it. So we went to the suppliers. They said yes, they were interested in it too, but where was the market? In cases of that sort we frequently do, and in this case we did, make a contract to produce a large enough quantity of this material so that it could then be tried out by the tanners.

I think through that kind of process we will get this one on the road, but it takes some time.

LEGISLATIVE NEEDS

Senator MUNDT. That certainly is one good way to approach the problem. I have been, as you know, author and coauthor, sponsor and cosponsor, an enthusiastic member of the cheering section on the sidelines and an advocate of increased new market research appropriations to see if we could not find some new emphasis and drive to put behind that type of a program. I've tried to find some way that we could provide you with more latitude, more leeway, more flexibility, more authority, or more money so that by use of incentives, demonstration plans, private, contracts, or something, we might overcome this natural resistance to change which people have to switching to the industrial use of farm products.

It seems to me the weakness is not in the laboratories or the capacity of your people to find new uses. The problem is in getting the new uses accepted in the industrial and economic free market areas. I think maybe you need some kind of new authority or new funds or new latitude or something, to speed it up and to encourage industry and business to use and market synthetic products derived from farm products of many types and kinds.

UTILIZATION RESEARCH FUNDS

Dr. SHAW. I think we have the essential authority, I think we have the essential people. I think what is required is money. So far I have not been successful in getting that money placed in the budget.

Senator MUNDT. Would it have to be money which is earmarked for some special kind of activity or functions? If we throw it into general research, 50 or 60 percent or even more will go to production research rather than to utilization research.

Dr. SHAW. We want it on the utilization research.

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Senator MUNDT. I shall try hard to help you get such earmarked funds. I do not want to belabor the record any further at this time, Mr. Chairman, but you have provided, as you always do, a supplementary report of utilization research. I am sure it contains a lot of new developments. Perhaps we can't put this whole thing in the record—

Senator RUSSELL. Yes, we are going to put this in the record or make it otherwise available. We asked for it 2 years ago in the committee report.

Senator MUNDT. Thank you.

Mr. MUNDT. In addition, Madam President, I ask that at this point in my remarks there now appear a short paragraph entitled "What Has Utilization Research Accomplished?" prepared for

our subcommittee hearings by the Agriculture Research Service and appearing on page 21 of the supplement to our hearings on the Agriculture Appropriations Act for 1963 expenditures.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

In its two decades of operation, USDA utilization research and development has added over \$2.5 billion of value to farm commodities at a cost of less than \$200 million—representing a benefit-to-cost ratio of 15 to 1. Although there has been an increasing cost per man-year of research throughout this period, this continuing program of fundamental research and applied technology has resulted in spiraling advantages, with each succeeding year giving more return per year for the total expenditure. For example, during the past 5 years utilization research enhanced agricultural commodities \$1.75 billion, which is 70 percent of the total gain made in the two decades of this program. This increasing rate of return is expected to continue, as the storehouse of scientific and technologic information is accumulated.

Mr. MUNDT. Madam President, since I am one who has frequently been critical of some of the price support proposals made by Secretary of Agriculture, Ezra Taft Benson, during the 8 years he headed our Department of Agriculture, I would like to take this means of congratulating Secretary Benson for one signal and important service he rendered during his administration.

It will be noted in the statement submitted by the Department of Agriculture which I have just inserted in the RECORD, that this statement appears:

During the past 5 years, utilization research enhanced agriculture commodities \$1.75 billion, which is 70 percent of the total gain made in the two decades of this program.

Madam President, while it is true that this sharp gain in the emphasis places on utilization research and the support for it was in part the result of the continuing and growing efforts of a number of us in Congress to highlight and publicize the possibilities of this program, it is also undeniably true that it was in part as well attributable to the enlightened leadership of Secretary Benson in this field in which he continued to ask for and secure additional appropriations to advance the program. The tangible results and the substantial increase in farming income flowing from these joint efforts of Congress and the Benson leadership in this area of activity pay eloquent testimony to the value and the wisdom of the program to which we are today proposing to provide \$25 million earmarked for this specific purpose. This appropriation will far exceed anything Congress has ever attempted before in providing adequate funds to promote this exciting and important program.

Finally, Madam President, I would like to include with my remarks, a summary of important achievements occurring during fiscal year 1961 in this specific field of utilizing our farm products industrially.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

IX. IMPORTANT RESEARCH ACCOMPLISHMENTS— FISCAL YEAR 1961

New convenience food from wheat

A new convenience food, ready prepared canned whole grain wheat, has been developed by Department scientists. This product can be used to contribute desirable body and texture to a wide variety of dishes such as soups, stuffing for poultry, puddings, salads, pilafs, and other foods. The new food is being test-marketed by USDA's Economic Research Service in cooperation with the Kansas Wheat Commission. Two manufacturers are in regional distribution in the Midwest and Pacific Northwest on the canned product and national distribution of a similar dried product is underway. Only a few minutes heating in a little water is needed before serving the canned product. The convenience food is cooked whole grains of wheat with only the rough outer layers of bran removed. It has a delicate whole-wheat flavor and essentially the same nutritive value as whole kernels of wheat.

Commercially feasible new use for dialdehyde starch

A process has been developed for the tanning of sole leather in which dialdehyde starch, a new chemical derivative of cereal grain, is used as a pretanning agent followed by retanning with vegetable tan. The process, evaluated in a commercial tannery, produces commercially acceptable leather. Cost studies show that with dialdehyde starch at 30 cents per pound, a figure which should be attainable when full commercial production is achieved, the cost of the new process is competitive with conventional tanning. The big advantage is about a 50-percent saving in processing time, a definite economic gain. The new process can be applied in existing tanneries with minimum investment in additional facilities. Another advantage of the new tanning process is that the waste disposal problem—a serious one—is greatly alleviated.

New cereal products serve as an integral part of paper

New wheat flour and cereal starch products have been discovered that can be economically incorporated as an integral part of paper and other pulp products. Wheat flour and starches have been converted into water-soluble chemical derivatives that can be added to slurries of paper pulp which after a simple chemical treatment are precipitated on the pulp fibers to become part of the paper sheet. Chemicals used to make the cereal product cost only 3 to 5 cents a pound. Papers have been made in laboratory experiments containing as high as 45 percent of cereal product. The papers had higher dry and wet tensile strengths than all-woodpulp papers. No operating conditions that would conflict with commercial paper processes were necessary. If initial findings are borne out in larger scale tests, it is expected that the cereal product might replace 10 percent of the long fiber pulp now used in newsprint; 3 percent of the coating adhesives used in coated paper; 20 percent of the pulp used in making coarse paper; and 10 percent of the pulp used in making building and insulation board. These conservative estimates would require the use of 100 to 180 million bushels of grain for applications not using cereal products today.

New cereal starch plastics successfully prepared

A wide variety of new plasticlike products (graft polymers) has been prepared from cereal starch by attaching to the starch molecules polymeric chains derived from commercially available petrochemicals. Some of the products have sharp melting points, while others soften with heat and appear suitable for molding. Some are soluble in water, others in organic solvents. Certain of the soluble graft copolymers ap-

pear to be film formers. This basic research points the way to preparation of many new products from starch that can be "tailor made" to meet specialized industrial requirements.

Dry milling and fractionation of cereals and cereal flours

Engineering studies on the fine grinding and air classification of flours from a wide variety of Hard and Soft wheats—and from sorghum, corn, rice, and soybeans—have shown that many new and potentially useful products can be obtained. By fractionation of cereal flours, materials differing over a wide range in chemical and physical properties become available. Some of these may be expected to find use in outlets that represent new markets for cereals and their flours. Soft wheats gave low-protein fractions suitable for use in products such as paper and gypsum board, and high-protein fractions for higher valued food uses. Hard wheat yielded fractions potentially useful in industry or in food products such as cake flours or high-protein concentrates for food fortification. Small changes were noted in the properties of fractions from rice and soybean flours. Sorghum and corn flours yielded fractions that varied considerably in properties, and the lower protein flours from each have increased industrial potential.

New species and strains of yeast collected abroad

About 200 specimens of yeasts have been collected in Spain under a Public Law 480 research grant and submitted for detailed study by experts associated with the ARS culture collection. This activity has resulted in a number of valuable additions to the collection. New species of yeast have been found. Some strains show carbon assimilation patterns unlike those of other yeasts. Other specimens have characteristics that should prove useful in research to develop stable inbred strains of yeast incapable of sexual reproduction that may have value for fermentative production of new chemicals. The new species and strains of yeast augment significantly resources of the collection for exploratory studies to provide basic information on industrial use of micro-organisms to obtain new products and processes by fermentation of agricultural commodities.

Visco-elastic properties of wheat gluten explained by basic discovery

Wheat gluten is unique among proteins in its visco-elastic properties which are responsible for the ability of bread dough to rise by entrapping gases. These properties were shown to reside in the glutenin component which makes up 50 percent of the gluten, and which is composed of large molecules ranging up to several million in molecular weight. Cleavage of the sulfur linkages in this component gave uniform protein molecules having a molecular weight of 21,000. This derived protein has no visco-elasticity. Thus, it is evident that glutenin is composed of polymers of the small protein molecules held together by sulfur linkages, and that this polymeric character is necessary for the unique visco-elastic properties. This basic information points the way to applied studies directed toward controlling gluten properties for both food and industrial applications.

New soluble gum from corn sugar

The ARS process developed for producing a water-soluble gum by bacterial fermentation of corn sugar is being adapted to commercial use by three manufacturers. The gum, called polysaccharide B-1459, dissolves in water to give clear, viscous solutions. These solutions have viscosities uniquely stable to heat, acids, alkalis, inorganic salts, and aging. The manufacturers foresee applications for the gum in adhesives, agricultural sprays, emulsions, oil-well drilling and flooding agents, paper and textile sizes and coatings, latex paints, leather pasting and finish-

ing compositions, and preparations for use in the ceramics industry. The current market in the United States for water-soluble gums, which are almost entirely imported, amounts to 40 million pounds annually.

Nutrients in dehydrated forages protected by chemical stabilizer

The major producers of dehydrated forages have announced that their total production will henceforth be treated with ethoxyquin—a stabilizing agent whose use for this purpose was discovered by Department scientists. It is estimated that 80 to 90 percent of the dehydrated forage produced in the United States will be protected with this antioxidant, preventing severe losses of valuable provitamin A, vitamin E, and poultry and egg pigmentation factors (xanthophylls). Cooperative studies conducted at State experiment stations have shown that incorporation of ethoxyquin in mixed feeds also prevents certain diseases in poultry and lambs, as well as rancidification of fats in feeds. Development and commercial adoption of the ethoxyquin treatment is the result of a joint research effort involving scientists from the Agricultural Research Service, State experiment stations, and the industry. Extensive toxicity testing over a 5-year period led to Food and Drug Administration approval for the use of the compound in dehydrated forages and mixed feeds for all types of animals. A new commercially available water emulsion of ethoxyquin has reduced cost of treatment by one-half to less than 50 cents per ton of dehydrated forage or mixed feeds.

Growth promoter in forages

The compound, coumestrol, previously discovered by Department scientists, has been shown to be a powerful animal growth promoter. This substance has been found in certain lots of fresh and dehydrated alfalfa and other forage legumes. In recent cooperative studies, processed forages rich in this compound were fed to fattening steers at the Nebraska Agricultural Experiment Station. The rate at which the test animals gained weight was impressive. At the Oregon Experiment Station, sheep (wethers) whose diets included a coumestrol-rich dehydrated alfalfa showed marked increases in rate of gain over control animals receiving low-coumestrol dehydrated alfalfa. Development of methods for producing standardized, high-coumestrol forages for use in animal feeds, will provide farmers with a new, high-value market for forage crops.

New processes enhance wool usefulness

The new interfacial polymerization (IFP) treatment that gives wool fabrics markedly improved performance characteristics—including greater shrink-, muss-, and pull-resistance and increased wearability—is being rapidly adapted to commercially feasible processes. The process for applying the new finish, discovered by basic research, has been developed in standard commercial equipment, and the processing variables, including speeds, temperatures, and specific requirements for different fabrics, have been determined in the new wool processing plant at the western division. Announcement of this new IFP process, although less than a year ago, has resulted in the immediate initiation of intensive mill development studies by several of the country's largest wool mills, assisted by Department scientists and technologists. These cooperative studies are aimed at adapting the process to a continuous, high-speed treatment, under the particular conditions existing in the various plants. Many industry processors have expressed the opinion that the IFP treatment is superior to all existing commercial shrink-resist treatments.

In other utilization investigations, derivatives of corn sugar and related carbohydrates have been used successfully as intermediates

in synthesis of high-molecular-weight polyamide resins that have aroused industrial interest in possibilities of their use for shrink-proofing woolen fabrics. The resins also have promise for other industrial uses such as molded articles, and coatings to meet special requirements. This research was carried out in Scotland under a Public Law 480 grant.

Industrial uses for wool

A rapid chemical process has been developed which greatly simplifies wool feltmaking, eliminating the need for the slow, expensive mechanical beating traditionally used to produce dense wool felts. The process is based on the discovery that the chemical, dimethyl sulfoxide, causes wool fibers to contract in length. Thus, soft wool felt treated with hot dimethyl sulfoxide becomes dense and hard within a few minutes. Hardness can be controlled by varying either the time or the temperature of the treatment. Mechanical tests show that felts made by this new process are two to three times stronger than the original, untreated felts. The hardening and toughening of the felt are permanent, because the contraction in fiber length is the result of rearrangement of the wool molecules. The new method has an advantage over present batch practice since it is adaptable to continuous process. Commercial evaluation of the process is underway. In addition, industrial users of felts are studying the increased utility of chemically produced felts over wool felts produced by traditional procedures.

New processes for producing stretchable and bulky cotton textiles

Textiles that have stretchable characteristics are receiving widespread acceptance in both wearing apparel and industrial applications. For wearing apparel, increased bulk may also be of importance. Department scientists have been investigating three methods of producing stretchable cotton textiles and each method has excellent commercial possibilities. In one method, the cotton is crosslinked while under a twisting stress, and then crimp and bulk are imparted by a stress reversing twist. Several companies are interested in this method of treatment and one company considers their product ready for commercialization.

The second method being investigated is the application of standard false twisting techniques to thermoplastic cottons. These crimped, chemically modified cottons are reported by one company to be ideally suited for tropical wearing apparel.

The third method is that of completely relaxed shrinkage in mercerizing caustic solutions. Industry has demonstrated enthusiastic response to the slack mercerized products for both industrial and wearing apparel uses. Several companies have announced the availability of these products and one company is in the advanced stages of producing cotton fabrics with stretchable properties in both the warp and filling directions. Further research is in progress to perfect these processes and products so that products having the desired use-quality characteristics can be produced.

New aerodynamic cleaner improves quality of cotton products

A new lint cotton cleaning device, called the SRRL Aerodynamic Cleaner, has been developed by the Department to help the textile industry efficiently process cotton that has been harvested mechanically or by hand snapping. The cleaner is designed specifically to remove from cotton the motes and fine leaf (pepper) trash that are currently plaguing the cotton industry, and is used in combination with either of two lint cotton opening machines known as the SRRL Opener and the SRRL Opener-Cleaner. The combined Opener-Cleaner, Aerodynamic Cleaner units will remove up to about 45

percent of the trash from lint cotton. Although the new cleaner was just recently released, nine commercial firms are already licensed to use the development and two are known to be manufacturing the cleaner. Reports from the textile industry indicate that the device is doing an excellent job of removing pepper trash (a material which conventional cleaning equipment has not been able to adequately remove). This will aid industry in producing higher quality cotton products.

New finishes for producing wrinkle-resistant and wash-wear cottons

A new class of agents for imparting wrinkle-resistance and wash-wear properties to cotton fabrics has been developed and tested on a laboratory scale by USDA scientists. The finishing agents employed are dimethylol monocarbamates. The treated fabrics have good wash-wear properties and the finish is durable to multiple launderings. A highly desirable feature is the resistance to the chlorine bleach almost universally used in laundering. Potential low cost, ease of preparation, standard methods of application, and the good appearance and durability of the finished cotton fabric combine to give the method great commercial promise. Specific agents of this general class are being investigated to determine their suitability for commercial use.

An investigation of the reaction of formaldehyde with cotton has provided fundamental information about the mechanism for changing the physical properties of cotton which has resulted in the development of several new processes for the production of wash-wear cottons. In one of these processes wet wrinkle resistance is imparted to cotton fabric, thus providing line-dry fabrics. Other processes produce fabrics having the desirable property of dry wrinkle resistance in addition to wet wrinkle resistance. The most recently developed vapor process achieves these results with very low amounts of formaldehyde combined with the fabric and may be applied to completed garments, such as shirts. The finishes are durable to laundering and to chlorine bleach, characteristics necessary for good wash-wear performance. Two of the processes have been applied on commercial type equipment and several textile mills are actively engaged in evaluating them. Because of the low cost of the chemicals employed, the formaldehyde processes should be very economical. This work has stimulated a reexamination of this type treatment by industry, and several companies are reported to be producing wash-and-wear cottons using formaldehyde.

Flame-resistant cotton products

Good progress has been made in research to improve the light and weathering resistance of the APO-THPC flame-retardant finish for cotton fabrics, a superior flame retardant previously developed in cooperation with the Quartermaster Corps. By changing the ratio of the chemicals employed in the APO-THPC treating formulation, the outdoor service life of medium-to-heavy fabrics has been increased by 40 to 50 percent (to approximately 18 months). This service life approaches the useful life of textiles subjected to intermittent exposure to weathering. Research is continuing to effect further improvements in this type flame-resistant finish for use on tents, tarpaulins, boat covers, and certain types of industrial fabrics.

Fundamental information on microbiological breakdown of cotton

Cotton fabrics in many applications are exposed to bacteriological and fungicidal attack. Fundamental research at the Shirley Institute, Didsbury, Manchester, England, involving Public Law 480 funds, has resulted in the development of important information

on the biochemical pathways involved in the microbiological breakdown (hydrolysis) of cotton cellulose. Studies of the enzyme systems involved have shown that these systems consist of at least two types. One of these, less of which is present in isolated enzyme preparations, appears to penetrate the cellulose more readily. This would explain the significantly greater degradation of cotton by living organisms compared to the limited degradation by the isolated preparations. Research in progress should enable the development of laboratory test methods that will simulate more closely actual service conditions of cotton products, thereby aiding in obtaining information that will facilitate the development of more effective preservative treatments for cotton.

Practical method for imparting weather and rot resistance to cotton fabrics

A practical, low-cost treatment, developed for making cotton fabrics exposed to mildew, rot, and weathering last much longer, offers promise of maintaining a market of approximately 230,000 bales of cotton a year in canvas goods products such as awnings, tarpaulin, tentage, field coverings, beach umbrellas, ditch liners, and irrigation pipes. The treatment uses a chemical called acid colloid of methylolmelamine, and can be applied with equipment already available in a great many textile finishing plants. One finisher has produced the colloid-treated fabric and supplied it to approximately six consumers who are using it as ditch liners, dam stops and in other applications. Other samples are under experimental exposure as seeded covers in Florida. Further interest in the development is anticipated.

Machine for rapidly determining foreign matter content of cotton

A completely self-contained and compact machine, called the Trash Analyzer, has been developed for rapidly determining the foreign matter content of lint cotton. The machine is capable of 95 percent cleaning efficiency at 60 pounds per hour production. Trash content of a bale of cotton can be determined in less than 5 minutes with this machine, as compared with 1 hour with conventional machines. The Trash Analyzer is being evaluated over a wide range of grades and qualities of cotton. It is a tool long needed by the industry and its use will aid manufacturers in producing higher quality cotton products.

Basic information on fabric failure developed by microscopical study

Research employing light and electron microscopy has contributed new information toward a better understanding of fabric failure. The results of flexural strain, compression, and frictional wear can be seen, especially at the submicroscopic level. In fabric-to-fabric flat abrasion tests on gray cotton, the surfaces of cotton fibers appeared considerably damaged when examined with the electron microscope by the replica technique. This study of fabrics, yarns, and fibers under varying conditions of abrasion should contribute to a better understanding of the breakdown of fabrics in everyday use and toward potential improvement of abrasion-resistant treatments. Increased utilization of cotton should result from the development of fabrics having improved abrasion resistance.

Chemistry of meat flavors

The factors responsible for flavor and aroma in meats have been resolved into several principles. First, flavor is derived from some of the water extractable substances in meat. Second, the substances extracted are not flavors but precursors which develop flavor on heating. Third, lean beef, pork, and lamb have a similar flavor; but contributions from the fatty tissue con-

fer flavor differences characteristic of the species. For example, lamb fat contains nontriglyceride material that on heating releases minute amounts of carbonyls responsible for most of the characteristic lamb aroma. Flavor substances, isolated and studied to date, include amines, sulfide compounds, carbonyls, and fatty acids. The substances from which these were derived have been identified as low molecular weight carbohydrates, polypeptides, and amino acids which produce flavor by their interaction. These new facts concerning meat flavor provide a basis for the development of improved processing, handling, and preservation aimed at the production of better flavor meat and meat products.

Removal of strontium 90 from milk

The U.S. Department of Agriculture, the U.S. Atomic Energy Commission, and the U.S. Public Health Service, have undertaken a joint research effort to develop a feasible commercial-scale process, to be used in case of national emergencies, for the removal of radioactive contamination from milk. A continuous pilot plant process, using commercially obtainable equipment, has been developed which removes over 90 percent of strontium 90 in a single pass through a resin bed with little or no effect upon the flavor and stability of the milk. It is estimated from these pilot plant studies that such removal of strontium 90 would cost in the order of 5 cents, or perhaps higher, per quart of treated milk. The research is continuing in an effort (a) to refine the resin regeneration phase, (b) to explore other removal procedures that might be more efficient, and (c) to study the problems of adapting a pilot plant process to commercial use.

Dried cheese whey—A new product

Cottage cheese whey, which had hitherto not been dried, now can be successfully dried by a new ARS method of foam-spray drying. At present, 3 billion pounds of cottage cheese whey produced annually and containing half the solids of milk are wasted into sewers and streams. With the development of stream pollution control and urban charges for sewer use, cottage cheese plants are faced with heavy disposal expense and even forced closing. Following publication of the new method, inquiries were received from virtually every large dairy company and dairy equipment manufacturer in the United States. It is anticipated that the method will find wide commercial adoption. Its use may avoid the closing of factories and it will provide a new dairy ingredient for food manufacturers.

Autoxidation in fatty foods

Basic studies to determine the role of major food components, including fats, in autoxidation and off-flavor development, have shown that histidine, one of the common amino acids of proteins, has a profound effect on autoxidation of fats. In aqueous emulsions of fats it is a powerful prooxidant, and if traces of iron salts are also present the prooxidant effect is greater than when either histidine or iron salts only are present. Phosphates nullify the prooxidant effect of histidine. The findings are of importance to a better understanding of factors that promote or retard autoxidation in fatty foods, and should point the way to a practical solution of the off-flavor problems in many food products.

Surfactants from tallow

Utilization research has shown that alpha sulfoacids prepared from tallow are effective lime soap dispersing agents, and may be expected to be useful in the form of soap-detergent combinations. It has also been discovered recently that certain esters of the alpha sulfoacids are especially effective as wetting agents. Since they compare in ef-

fectiveness with the best known commercial wetting agents and are also potentially very cheap to manufacture, commercial interest in them seems assured. In the meantime, manufacture of alpha sulfoacids has been undertaken by several commercial concerns.

New apple juice product

A market test recently conducted by AMS in cooperation with ARS and industry has shown the USDA-developed sevenfold super-concentrated apple juice to have an excellent public acceptance. In consequence, a large Middle West processor will manufacture it this season for household use. This product rapidly reconstitutes to give a juice having the aroma and flavor of fresh juice. It has already been manufactured on a commercial scale for use by the jelly industry. However, this market test will open the way to expanding its use as a beverage.

Basic studies aid sausage manufacture

Excellent progress has been made in studies, conducted at the Research Institute of Meat Technology, Hameenlinna, Finland, under a Public Law 480 grant, on the effect of various micro-organisms on the development of flavor (aroma), color, and other desirable chemical changes occurring during sausage manufacture. Over 700 strains of organisms obtained from curing brines used for curing hams and sausage have been screened for their ability to affect certain qualities (color, flavor, etc.) in the finished product. The conclusions reached from the results obtained so far are that no single strain of bacteria can produce all the changes desired in the ripening of dry sausage, but a mixed culture composed of several strains will be required to effect these changes. This will entail a detailed study of a very large number of organisms, but the fundamental results obtained undoubtedly will be of great value in devising methods of manufacturing improved sausage and other cured meat products.

Research finds a major cause of egg spoilage

Basic studies of the nature of bacterial growth in egg whites have revealed that trace amounts of iron counteract the protective action of the protein, conalbumin, in egg white and thereby permits spoilage. Applied studies based on this finding have shown that iron in the water used to wash eggs can be high enough to markedly influence spoilage. With wash water containing 5 to 10 parts per million of iron, a level commonly found in well water, spoilage is threefold to eightfold that obtained with water containing less than 0.5 part per million of iron. This discovery is helping egg producers and processors reduce the serious shell egg spoilage that accounts for a loss of approximately \$20 million annually. Major egg producers are starting to treat wash waters to lower iron content to 0.5 part per million before eggs are washed prior to shipment, in order to eliminate excessive spoilage.

Levopimaric acid from pine gum

Levopimaric acid is an important, reactive resin acid present in pine gum. It would be a valuable intermediate in the chemical industry if practical processes were available for isolating it from the gum in a pure form. Department scientists have succeeded in developing a laboratory procedure which produces levopimaric acid salt of 90 percent or higher purity in good yield, from pine gum. Indications are that it will be possible to isolate the pure acid without altering the composition of the turpentine or decreasing the value of the residual rosin. Additional research is underway to develop information needed for possible commercial-scale use of the procedure.

Basic compositional studies of tobacco

Significant progress has been made, in cooperation with the Cigar Manufacturers Association of America, in the isolation and identification of the numerous chemical compounds which account for the color, aroma, and leaf pliability of tobacco. Allphatic and cyclic paraffins, terpenes, tocopherols, sterols, and at least 15 higher fatty acids and their esters were characterized. In addition to the fatty acids, which contribute to the flavor and aroma of tobacco smoke, other complex highly aromatic mixtures were isolated.

New crop seed oils containing epoxy-fatty acids for plastic composition

Ironweed seed, *Vernonia anthelmintica*, a potential new crop, contains 20 percent of oil the principal component of which is epoxy oleic acid, a compound which has application in plastic compositions. Research has shown that the oil from fresh seed, extracted promptly after grinding, contains 65 to 70 percent of epoxy oleic (vernolic) acid combined almost entirely as glycerides. The seed contains an active lipase which rapidly hydrolyzes the glycerides and produces free acids unless the extraction is done promptly after grinding the seed or unless the enzyme is deactivated. A process for deactivating the enzyme without destruction of epoxy acid has been developed. A method has also been developed for isolating the triglyceride of epoxy oleic acid from the crude oil in 95 percent purity and in good yields. This finding is an important step in providing a relatively pure material for future work in the evaluation of the trivernolin and its chemical derivatives for industrial use in the field of plastics, polymers and surface coatings.

Valuable chemicals found in wild plants

Substantial percentages of novel components, many having significant industrial potential, are present in a number of the 3,400 samples of uncultivated plants analyzed. Recently discovered products include vegetable oils unlike those commercially available and new carbohydrate seed mucilages. The new oils have been converted in the laboratory to plasticizers, foamed plastics, dibasic acids for polymers, and waxlike substances. Coproduct meals of some oilseeds have been upgraded for feed use by newly developed processes. The seed mucilages are effective as additives for increasing paper sheet strength. These uncultivated plant samples come from both domestic and foreign sources through cooperating agencies in the Department. Projects under Public Law 480 provide many foreign species. Species desirable both agronomically and industrially can lead to development of new crops offering greater latitude in farmers' choice of commodities for profitable land use.

Efficient plasticizers from cottonseed fatty acids

Attractive plasticizers for vinyl chloride plastics have been produced from the fatty acids of cottonseed oil. One of these plasticizers, the morpholide of selectively hydrogenated cottonseed fatty acids, is superior to the commonly used "DOP" plasticizer in efficiency, volatility and low temperature performance, and comparable in thermal stability. Another type, the morpholide of partially epoxidized cottonseed fatty acids, has an even higher efficiency and lower volatility and imparts a markedly greater thermal stability to the vinyl chloride resin used in the plastics, though at some sacrifice in low temperature performance. In addition to being a good plasticizer, it is also an efficient vinyl chloride stabilizer. Several industrial companies are evaluating the new products in various applications.

Cottonseed oil color improved

From 25 to 50 percent of domestically produced cottonseed oils contain reddish colorations that are not satisfactorily removed by present commercial refining, bleaching, and deodorizing methods. These oils are discriminated against and have reduced market value. Research by Department scientists has shown that activated alumina is a satisfactory bleaching agent for these off-color cottonseed oils. The activated alumina used in the new bleaching process has been found to be about 16 times more effective than Fuller's earth conventionally employed in bleaching cottonseed oil. The spent alumina can be reactivated and reused indefinitely without loss of its effectiveness as a bleaching agent and with little loss of alumina. The new process has no adverse effect on important oil properties. Pilot plant work on bleaching cottonseed oils with alumina is in progress to show whether the cost of alumina bleaching will be competitive with present refinery procedures for processing off-color oils, and to develop information necessary for possible commercial scale use of the process.

Solvent-blown urethane foams from castor oil

The preparation of lightweight plastics, known as urethane foams, based on castor oil, has resulted from earlier Department research. These foams were prepared by the foaming action of carbon dioxide gas produced as a result of the chemical reaction of water with one of the components of the polymerization mixture. A method for preparing improved castor-based foams has been developed in which the foaming is produced by vaporization of a low boiling solvent due to the heat of reaction generated during polymerization. Such foams may be used as upholstery materials, crash pads, for thermal and acoustical insulation, lightweight structural materials and numerous specialty products. In general, such lightweight solvent-blown plastics are stronger and have better thermal insulation properties than the analogous water (carbon dioxide) blown foams. Commercial evaluation of such foams based on castor oil is underway.

Basic allergens research

Utilization of castor-seed meal, a rich source of protein, is limited because of the presence of very potent allergens. Many humans become sensitized by extremely small amounts of the dust from the meal and thereafter react violently to exposure. Department scientists have demonstrated that castor meal contains at least six proteins which cause allergic reactions in monkeys sensitized with serum from humans allergic to castor. These findings have led to the development of a new diagnostic test for allergenicity, in which inexpensive Philippine Old-World monkeys, instead of allergic humans, can be skin tested repeatedly. In other studies, a process has been devised that appears promising as a commercial method for inactivating the principal allergenic constituents in castor-seed meals.

Solution of the castor-seed allergen problems, made probable by these discoveries, gives promise for growing castor as an industrial crop on large acreages in the United States.

New process for soybeans in commercial use

During the past year two soybean processors have installed commercial-size flash desolventizer units based on the original designs and pilot-plant development of the Department. These desolventizers were developed to remove solvent from extracted soybean meal without damaging the protein by excessive heating. Meal quality, as determined by water solubility of the protein,

can be controlled over a wide range by simple adjustment of operating conditions. Use of this process permits the economic production of undenatured extracted soy flours and will promote the further development of high-quality soybean protein food products. The equipment required for the flash desolventizer is of simple construction and flexible design so that it can be added to existing plant facilities at low cost without major building revisions. It is unique in that it contains no moving parts in the desolventizing zone.

New chemicals from soybeans oil show industrial promise

Ozonization of soybean oil or its fatty acids has yielded a variety of new chemical derivatives that have attracted widespread industrial interest. One type of derivative, called "MAZ" is an ester of a reactive aldehyde and shows much promise as a cross-linking agent for synthetic polymers and as an intermediate for novel types of acetal resins. Another type of derivative, called "aldehyde oil," retains the glyceride structure of the original oil and can be prepared in several forms having different degrees of reactivity toward other chemicals. Uses in plastics, resins, plasticizers, paper, and textile chemicals are being explored. Process economics appear to be very favorable for these new chemicals which have raw material costs of 12 to 23 cents per pound. Potential market areas for MAZ and aldehyde oils now consume 3 billion pounds of organic chemical products annually. These new chemicals are now being commercially evaluated.

"Hidden oxidation" a major factor in quality of soybean oil

The most important problem of the soybean oil industry is development of objectionable flavor during storage of the oil or upon exposure to heat when used as a cooking oil. Most of the volatile flavor components of these oxidative decomposition products are removed during the deodorizing stage of the refining. However, utilization research found that about 90 percent of the total decomposition products remain in the refined oil. Studies have shown that these residual products undergo further changes with time to reduce the flavor and oxidative stability of oil which may appear to be of high quality immediately after refining. These effects from unremoved oxidative products have been called "hidden oxidation." A method for detecting hidden oxidation has been developed by the Department, and industry is now testing it. This test reveals the history of the oil and provides information on its future stability for use as salad oil.

Fast-drying linseed oil emulsion paint developed

Stable linseed oil-water emulsion paints have been prepared that dry-to-touch, develop excellent water resistance, and can be recoated within 15 to 30 minutes after application. The paints can be thinned with water, and water can be used for brush clean-up. Samples evaluated by six cooperating industrial companies compared favorably with commercially available synthetic resin emulsion paints in brushing, wet-edge, hiding, drying, and other essential properties. They were superior to many of the commercial synthetic resin paints in leveling, blister resistance, and adherence to chalky weather surfaces. Outside weathering and long-term storage tests, and additional formulation studies to obtain the best combination of properties are being undertaken preparatory to commercial production of these paints.

New emulsifiers made from linseed oil

Nonionic emulsifiers of several types have been prepared from linseed oil by chemical derivation of linseed fatty acids or linseed fatty alcohols. These new emulsifiers have properties uniquely different from conventional products now in use. When used to formulate linseed oil emulsion paints, the new emulsifiers appear to exert a specific stabilizing effect when the paints contain zinc oxide as one of the pigments. When such paints are formulated with conventional emulsifiers, they almost always increase gradually in viscosity until they become too thick to be used. With the new linseed oil derived emulsifiers, formulations are easily achieved having viscosities that have remained stable for more than 2 years. Emulsion paints made with these new products are being evaluated by six industrial companies.

Edible gels and foams made from soybean protein

Edible gels and foams have been made from refined soybean protein that have been good potential for both food and industrial uses. The gels, which are the first heat-reversible gels made from a vegetable protein, become liquid when heated and thicken when cooled. Foams made from solutions of the refined protein are unusually stable—several times more so than other foam products tested for comparison. They offer wide potential in many types of food products—giving them added desired texture and flavor properties.

Dehydrofreezing of fruits and vegetables gains broad acceptance

Dehydrofreezing is a new method of food preservation developed by Department scientists, whereby foods are partially dehydrated and then frozen. The process is now in commercial use. Several million pounds of dehydrofrozen apples are being produced each year for use in commercial bakeries. Dehydrofrozen peas, carrots, and potatoes are being manufactured in rapidly increasing tonnages and are becoming important export items. Three million pounds of dehydrofrozen pimientos were produced last year for use in cheese products. A large food concern has just completed a successful market test of dehydrofrozen baby foods, including fruits, vegetables, soups, meat dinners, and puddings.

In the new process, dehydration is limited to removal of about half of the water present to avoid the irreversible quality damage that occurs during late stages of complete drying. The reduction in product weight and volume achieved by partial dehydration results in large savings in costs of freezing, packaging, handling, and shipping. Fresh flavor, texture, and color are retained by keeping the product frozen. Less drip on thawing and easier moisture control during remanufacture are among the advantages of dehydrofrozen over conventional frozen foods. The fresh-product quality, the convenience, and the economy of reconstituted dehydrofrozen foods assures expanding acceptance of dehydrofreezing as a method of food preservation.

A better dry bean product

Objective scientific research has not only established the cause and effect relationship between dry bean ingestion and flatulence, but also yielded a reproducible method for demonstrating this relationship. A variety of bean products, including canned pork-and-beans, oven-baked beans, canned dry limas and canned green limas, have been examined and have all been found to cause the same response. It has also been demonstrated that contrary to popular belief, the causative agent is not the high fiber content of beans, nor the resistance of the cell

walls to digestion in the upper intestine. The substances in beans which cause flatulence have not yet been identified, but the development of a reliable, quantitative method for studying the phenomenon has removed the major barrier to this research, and should speed the identification of the substances responsible. This will lead to modified processing procedures to eliminate undesirable effects.

The present farm value of dry beans is about \$110 million annually. Development of dry bean products devoid of flatulence-producing properties could double or treble the demand for this inexpensive but highly nutritious food.

New antimycotic agents discovered

Chemical preservatives, called sorbates, are now being used successfully on a commercial scale as antimycotic agents on retail packs of high-moisture dried prunes and figs. The utility of these compounds for this purpose was discovered by utilization scientists. Sorbates are also being used on bulk packs of these fruits for domestic and foreign shipment. The residual antimycotic effect is the most important attribute of this treatment, and represents an important advantage over the agents that were used for many years. The farm value of prunes and figs has been in excess of \$50 million for the past several years and the value of the processed products is substantially greater than this. Six of the largest packers of these dried fruits now use sorbates on the major part of their packs. This is benefiting the growers by extending the domestic and foreign markets for these products.

Breakthrough in bacterial spore research

The great resistance of bacterial spores to heat makes it necessary to apply severe processing schedules in the canning of nonacid foods. This results in quality losses, and makes impossible the canning of certain commodities. Basic research on the nature of the heat resistance of spores has been impeded for decades by the difficulty in obtaining substantial quantities of clean spores, free of vegetative cell debris and medium particulates. This problem has now been solved by development of a two-phase solvent extraction system that makes possible the recovery of clean spores of *Clostridium botulinum* from dead cultures with a very low (1 percent) spore population. In other species, it has proved effective in removing very small amounts of subcellular debris. This accomplishment is a major breakthrough in microbiological research and has implications far beyond the solution of agricultural problems.

Fundamental research on food stabilizers

Basic research, being conducted in the United Kingdom under a grant through Public Law 480, is providing important information on the relationship between molecular structure and antioxidant activity. Among the antioxidants studied have been complex chemical compounds called polyphenols. These compounds have yielded some particularly valuable information on structural features necessary for antioxidant action. This information will prove of value in the design of practical antioxidants which combine the ideal structural features with commercial availability. The importance of this basic research is recognized since expansion of markets for many food products is limited by rancidity that develops in these products on storage. This rancidity, caused by oxidative deterioration of fats, can be inhibited or prevented by addition of trace amounts of suitable antioxidants. These fundamental studies are invaluable guidelines for developing antioxidants that are adequately effective and acceptably safe for use in foods.

Dehydrated mashed potatoes makes further gains

A new direct process for the manufacture of dehydrated mashed potatoes in the form of granules yields an instantly reconstitutable product of uniform high quality. Cooked potatoes are dried and granulated in a series of operations which eliminates any recycling of partially dried product. New procedures and specially designed equipment make it possible to separate the delicate potato cells and dry them with a minimum of mechanical damage. Invented by utilization scientists, the process is undergoing intensive industry evaluation, and may well lead to greatly increased production, presently exceeding 150 million pounds annually of dehydrated mashed potatoes (flakes and granules).

Cherry brining

During the past several years, growers have suffered sizable losses due to the sporadic and unpredictable deteriorative softening of cherries during brining. The direct loss to the grower resulted from the withholding of crop payments until the brined cherries were examined several months after brining. Research on this problem has yielded reproducible sampling procedures, and a single objective method for measuring texture of the brined cherries. The mechanisms of softening have been identified by basic enzyme studies. Pectinolytic degradation has been shown to play a major role in softening. In addition, breakdown of the tissue cellulose and hemicelluloses occurs, presumably by a chemical process since cellulytic enzymes are not involved. This basic information, confirmed by model system studies, provides the information needed by the industry to develop modified brining procedures which will prevent softening. Potential losses to growers of as much as \$5 million per year can thus be prevented.

Flavor components of onions identified

Improved products from a large variety of fruits and vegetables may be possible as a result of basic research on the flavor components of onions. Isolation and identification of the volatile flavor components of sliced onions furnished clues which led to the identification of precursor materials from which flavor components are derived. This in turn led to the isolation of an enzyme from onion capable of producing onion-like flavors from these precursors. Studies of these enzymatic reactions showed that chemical determination of the amount of a substance called pyruvic acid present in the onion can be used as an objective measurement of pungency. High pungency is desired in onion varieties used for processing. As a result of this research, the plant breeder can judge more accurately and more quickly whether varieties are suitable for processing. These findings suggest areas of research on other fruits and vegetables aimed at determining flavor precursors, and isolating flavor enzymes and determining their stability during processing. Greatly improved processed products will thus result.

Fruit juice concentrates improve frozen dessert flavors

Fruit juice concentrates with their accompanying concentrated aromas (essences) are a Department development. Their use has until recently been confined to making jelly of improved flavor. In cooperation with a land-grant college, concentrates and essences from seven important fruits and berries were evaluated as flavoring agents in ice cream, sherberts, ices, ice milks, and variegated ice cream. The optimum level of flavoring materials, the basic mix composition, as well as sugar and acid contents were determined. Most of the fruit concentrates and essences

were found, by consumer test panels, to be a valuable and economically practical means of improving the flavor of fruit ice cream and related products, either when used as a fruit supplement or when used as the only source of fruit flavor. These findings including recommended formulations and cost data are being made available to commercial ice cream manufacturers and should increase the consumption of both dairy and fruit products.

New "instantized" dehydrated foods

Conventionally dehydrated vegetables, for example three-eighths of an inch carrot and potato dice, require from 20 to 30 minutes boiling to be ready for eating. A new process under pilot plant development shortens this time to 5 minutes. It also enables more rapid dehydration of large pieces formerly requiring inordinately long times to dehydrate and to reconstitute. The new process gives the dried piece a porous structure, which assures rapid reconstitution with boiling water to give texture and flavor comparable to the freshly cooked piece. The process has thus far been successfully applied to potatoes, carrots, beets, and corn, and should be applicable to other vegetables as well as fruits. The dehydrated soup industry has manifested considerable interest in the new process as it will permit the use of large vegetable pieces instead of the small fragments now necessary in a soup requiring about 10 minutes to prepare.

Precooked, dehydrated sweetpotato flakes

A flavor-stable precooked, dehydrated sweetpotato flake product, previously developed by Department scientists on a small pilot-plant scale in cooperation with the Quartermaster Food and Container Institute for the Armed Forces, is now being produced on a semicommercial scale. As part of national emergency planning, an industrial preparedness study has been completed for the Quartermaster Corps (under contract), and plant designs and costs for proposed commercial operations have been distributed to industry. Industry interest is high for this new product that can be reconstituted in 60 seconds and has the color and taste of freshly cooked mashed sweetpotatoes. One commercial firm is reportedly undertaking limited commercial production of the flakes this season to ascertain the commercial potential of the product. Commercial exploitation of the product will further the economy of the sweetpotato industry by affording a profitable outlet for a substantial proportion of the crop, as much as 6 to 8 million bushels annually, which is substandard for the fresh market and not adequately absorbed by the demand for canned and frozen products.

Mr. MUNDT. Madam President, as we state in our committee report accompanying this appropriation bill—

The story of American agriculture is one of the outstanding success stories of modern times. But the success is marred by the channeling of much of our agriculture production into Government storage or into disposal abroad at an economic loss to the Nation.

The \$25 million we now propose to appropriate and earmark for industrial utilization and for actions designed to utilize the research already undertaken and completed will go a long way toward finding the necessary markets so our farmers can enjoy decent incomes from the great successes they have achieved in whipping the problems of production.

Our committee proposes to monitor, patrol, police, and supervise the expenditure of these new funds for new purposes most meticulously. Our committee report specifically states:

The committee expects the Department to keep it informed periodically on plans and progress made under the accelerated utilization research program.

We in turn, Madam President, will keep the Senate and the public informed concerning the accomplishments.

We are indeed fortunate in this happy land to be bothered by a surplus rather than a shortage of farm production. We now need to learn how to use what we have learned how to produce. By approving our recommendations for this \$25 million the Senate as a whole will be participating in this forward step and will be helping in a permanent way toward the solution of a stubborn farm problem which I believe will begin to yield and finally surrender to this updated approach to solving the difficulties confronting the farmers for far too long as the result of an unbalanced operation of the inevitable law of supply and demand.

Mr. KEATING. Madam President, I want to thank the committee and particularly the distinguished senior Senator from Georgia [Mr. RUSSELL], who I understand made a motion in committee on an amendment which I had submitted to the committee and which was accepted in part.

This amendment concerned the U.S. Plant, Soil and Nutrition Laboratory at Cornell University in Ithaca, N.Y. This facility is in the final stages of construction and will be completed in October of this year.

Dr. W. K. Kennedy, the director of research of the New York State Colleges of Agriculture and Home Economics, was in touch with me several months ago urging that because this new facility would be ready this year, operation and maintenance funds should be budgeted in 1963. Although the officials of the Agriculture Department responsible for this program indicated agreement on this point, the funds in question were apparently not budgeted in time for submission to the Congress this year. On February 20, I wrote to the Senator from Georgia calling this situation to his attention.

The bill before us today contains \$65,000 for this important research laboratory at Cornell. While this is not the full amount requested, it will be extremely helpful. It will be money well spent. We in New York have many vital agricultural interests, and it has long been regretted by persons in this field that we have not received a fair and proportional share of the total Federal funds for research in agriculture. There is still plenty of room for improvement, but I am delighted that the Senate Appropriations Committee has shown an inclination to help us in this area.

Madam President, since February 20 when I first wrote to the Senator from Georgia on this matter, my colleague from New York, Senator JAVITS, was named to the Appropriations Committee and was appointed to serve, among others, on the Agriculture Subcommittee. One of his first official acts was to lend his fine efforts to this particular Ithaca research problem which was then pending before the subcommittee. He was immensely helpful in this regard,

and I know in the future he will accomplish much to encourage and promote needed agricultural research programs in New York on the major crops produced in our State.

Madam President, I should also like to thank Senator YOUNG, Senator MUNDT and Senator HRUSKA with whom I discussed this subject and all of whom indicated real sympathy and understanding of our situation in New York.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 12648) was passed.

Mr. RUSSELL. Madam President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mrs. NEUBERGER in the chair) appointed Mr. RUSSELL, Mr. HAYDEN, Mr. ELLENDER, Mr. YOUNG of North Dakota, and Mr. MUNDT conferees on the part of the Senate.

REVENUE ACT OF 1962

The PRESIDING OFFICER (Mr. BURDICK in the chair). The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 10650) to amend the Internal Revenue Code of 1954 to provide a credit for investment in certain depreciable property, to eliminate certain defects and inequities, and for other purposes.

SENATE DRUG BILL WOULD REDUCE SOME PRICES

Mr. KEFAUVER. Mr. President, Morton Mintz, staff reporter of the Washington Post, who has written many objective and thoughtful articles about the drug legislation has written another article in the Post of August 25, 1962, which deserves particular attention. He points out how, with better inspection and control, all prescription drugs should be safe and effective and that physicians will be more likely to prescribe drugs by generic names. He also explains that the legislation just passed in the Senate will give impetus to generic names. The greater use of generic names has already brought large savings to the Government, States and hospitals. The further use will bring great savings to individual patients.

Mr. Mintz' article will be of interest to everyone, particularly physicians and those who must use prescription drugs.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE DRUG MEASURE WOULD REDUCE PRICES (By Morton Mintz)

For the price-conscious consumer the key provision in the drug bill passed by the Senate Thursday is one intended to give physicians the greatest possible opportunity to know the generic, or common, names of the drugs they prescribe.

The provision would require listing of the common name—in type half as large as that used for the brand name—on drug labels and

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
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HIGHLIGHTS: Sen. Hickenlooper criticized and Sen. Humphrey defended Secretary's pledge of commodities to United Nations. Senate passed tax revision bill. Rep. Libonati commended forestry demonstration in Richmond, Va.

HOUSE

1. APPROPRIATIONS. Conferees were appointed on H. R. 12648, the agricultural appropriation bill. Senate conferees have already been appointed. p. 17573
The "Daily Digest" states that "Conferees met in executive session to resolve the differences between the Senate- and House-passed versions of H. R. 12648, fiscal 1963 appropriations for the Department of Agriculture, but did not reach final agreement, and will meet again tomorrow." p. D813
2. FORESTRY. Rep. Libonati described and commended a recent forestry demonstration in Richmond, Va. pp. 17609-11
3. BREAD. The Ways and Means Committee reported with amendment H. R. 3985, to amend the Tariff Act of 1930 to impose a duty upon the importation of bread (H. Rept. 2325). p. 17612
4. SOCIAL SECURITY; FARMERS. Rep. Rhodes, Pa., inserted an article about a farmer getting social security disability benefits, "Social Security Helps Farmer."

p. 17576

5. ATOMIC ENERGY. Received from the President the annual report of U. S. participation in Atomic Energy Agency (H. Doc. 538). p. 17582, p. 17614
6. LEGISLATIVE PROGRAM. Rep. Albert announced that H. R. 12365, health clinics for migratory farmworkers, will be considered on Mon., and S. 4, Padre Island National Seashore, will be brought up on Tues. p. 17575
7. ADJOURNED until Mon., Sept. 10. p. 17612

SENATE

8. FARM PROGRAM; PUBLIC LAW 480. Sen. Hickenlooper criticized Secretary Freeman's pledge of commodities to the United Nations food program, questioned whether the Secretary has authority under Public Law 480 to pledge commodities for this purpose, and contended it was "the first step in relinquishing our control over the distribution of our surplus food and agricultural commodities." Sen. Humphrey defended the Secretary's action, stating that "I believe it falls full well within the scope of authority granted by the Congress to the executive branch." pp. 17668, 17710
9. TAXATION. By a vote of 59 to 24, passed with amendments H. R. 10650, the proposed Revenue Act of 1962. Conferees were appointed. pp. 17620-1, 17624-6, 17632-41, 17648, 17650-9
10. MINING. Passed as reported S. 3451, to authorize the Secretary of the Interior to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed. pp. 17700-5
11. LAW; COURTS. Passed as reported H. R. 1960, to make it possible to bring actions against Government officials and agencies in U. S. district courts outside D. C., which, because of certain existing limitations on jurisdiction and venue, may now be brought only in the U. S. District Court for D. C. pp. 17699-700
12. CREDIT. The "Daily Digest" states that the Subcommittee on Production and Stabilization of the Banking and Currency Committee "by a vote of 5 to 4, defeated a motion to report to the full committee S. 1740, to require the disclosure of finance charges in connection with extensions of credit." p. D812
13. WILDLIFE. Passed over, at the request of Sen. Mansfield, H. J. Res. 489, to provide for protection of the golden eagle. p. 17696
14. RECLAMATION. The Interior and Insular Affairs Committee reported without amendment H. R. 11164, to approve an amendatory repayment contract negotiated with the Quincy Columbia Basin Irrigation District and authorize similar contracts with any of the other Columbia Basin irrigation districts (S. Rept. 2002). p. 17614
15. PERSONNEL. Agreed to as reported S. Con. Res. 53, declaring the sense of Congress that all official air travel by employees and officials of the Federal Government should be performed on U. S.-flag carriers except under the most limited circumstances. pp. 17693-4
Sen. Byrd, Va., submitted the report of the Joint Committee on Reduction of Nonessential Federal Expenditures on Federal employment and pay for July 1962 pp. 17615-9
Sen. Hickenlooper criticized the recent increase in the number of Federal employees and suggested that a moratorium be declared on the filling of all



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PROCEEDINGS AND DEBATES OF THE 87th CONGRESS, SECOND SESSION

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WASHINGTON, THURSDAY, SEPTEMBER 6, 1962

No. 160

House of Representatives

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Thessalonians 4: 9: But as touching brotherly love, ye yourselves are taught of God to love one another.

Almighty God, whose all-encircling love and providence are boundless, inspire us always to think and act in terms of the common good of humanity.

We earnestly beseech Thee to expand and enlarge our minds and hearts with a greater concern for the health and happiness of all mankind.

Grant that our groping souls may look and move forward to the dawning of that blessed day when man's aspiration and ambition shall be free from all provincial cravenness and sectarian antipathies.

May we be emancipated from everything that mars and limits the spirit of friendship and fraternity among the members of the human family.

Hear us in His name who taught us that the principle of our religion must be the fatherhood of God and our practice the brotherhood of man. Amen.

THE JOURNAL

The Journal of the proceedings of Tuesday, September 4, 1962, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On August 28, 1962:

H.R. 3728. An act to amend chapter 11 of title 38, United States Code, to authorize special consideration for certain disabled veterans suffering blindness or bilateral kidney involvement; and

H.R. 8564. An act to amend the Federal Employees' Group Life Insurance Act of 1954 to provide for escheat of amounts of insurance to the insurance fund under such act in the absence of any claim for payment, and for other purposes.

On August 29, 1962:

H.R. 11523. An act to authorize the employment without compensation from the

Government of readers for blind Government employees, and for other purposes.

On August 30, 1962:

H.R. 11721. An act to authorize the payment of the balance of awards for war damage compensation made by the Philippine War Damage Commission under the terms of the Philippine Rehabilitation Act of April 30, 1946, and to authorize the appropriation of \$73 million for that purpose.

On August 31, 1962:

H.R. 8730. An act for the relief of Sister Mary Alphonsa (Elena Bruno) and Sister Mary Attilia (Filipa Todaro);

H.R. 9915. An act for the relief of Umberto Brezza;

H.R. 10651. An act to amend title 28, United States Code, with respect to fees of U.S. marshals, and for other purposes;

H.R. 11040. An act to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes; and

H.J. Res. 864. Joint resolution making continuing appropriations for the fiscal year 1963, and for other purposes.

On September 5, 1962:

H.R. 2446. An act to provide that hydraulic brake fluid sold or shipped in commerce for use in motor vehicles shall meet certain specifications prescribed by the Secretary of Commerce;

H.R. 3801. An act to authorize the Secretary of the Army and the Secretary of Agriculture to make joint investigations and surveys of watershed areas for flood prevention or the conservation, development, utilization, and disposal of water, and for flood control and allied purposes, and to prepare joint reports on such investigations and surveys for submission to the Congress, and for other purposes;

H.R. 6984. An act to provide for a method of payment of indirect costs of research and development contracted by the Federal Government at universities, colleges, and other educational institutions;

H.R. 7736. An act to amend the act of May 13, 1960 (Private Law 86-286);

H.R. 10263. An act to authorize the Secretary of the Air Force to adjust the legislative jurisdiction exercised by the United States over lands within Eglin Air Force Base, Fla.;

H.R. 10825. An act to repeal the act of August 4, 1959 (73 Stat. 280);

H.R. 11251. An act to authorize the Secretary of the Army to relinquish to the State of New Jersey jurisdiction over any lands within the Fort Hancock Military Reservation;

H.R. 11310. An act to amend section 3515 of the Revised Statutes to eliminate tin in the alloy of the 1-cent piece; and

H.R. 12081. An act to authorize the Secretary of the Army to convey certain land and easement interests at Hunter-Liggett Military Reservation for construction of the San Antonio Dam and Reservoir project in exchange for other property.

On September 6, 1962:

H.R. 1458. An act for the relief of Lee Dock On; and

H.R. 7638. An act for the relief of Kim Hyung in Comstock.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 518. Concurrent resolution expressing sympathy for the victims of the recent earthquake in Iran; and

H. Con. Res. 519. Concurrent resolution requesting the President to return to the House the bill (H.R. 10062) extending the application of certain laws to American Samoa.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1963

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

The Chair hears none, and appoints the following conferees: Messrs. WHITTEN, NATCHER, CANNON, HORAN, and TABER.

RUSSIAN SPACE FLIGHT

Mr. GEORGE P. MILLER. Mr. Speaker, I have asked for this time to insert in the RECORD a letter signed by the Administrator of NASA, Mr. James Webb, and addressed to Senator ROBERT S. KERR, chairman of the Science and Astronautics Committee in the Senate, and to myself in response to a letter we

had addressed to him in which we expressly asked him to furnish us with any knowledge that had to do with unsuccessful Russian space flights.

The report of this interchanged correspondence appeared in the papers this morning. But in order that my colleagues may not only know of, but may read this important correspondence, I am asking unanimous consent that the two letters be inserted at this point in the RECORD.

SEPTEMBER 4, 1962.

HON. JAMES E. WEBB,
*Administrator, National Aeronautics and
Space Administration, Washington, D.C.*

DEAR DIRECTOR WEBB: In the past weeks there have been two reports in the press which have troubled us as chairmen of the House and Senate Committees on Space: (1) The Saturday morning newspapers carried an article reporting that the Soviet Union failed in an attempt to successfully send a space vehicle to Venus on August 25, 1962; (2) on August 30, 1962, Dr. L. I. Sedov, a leading Soviet space expert was interviewed by a professor of Tokyo University. The question was asked: "Since the Soviet Union has never made an advance announcement of launchings, some people suspect that there have been unsuccessful launchings in the past; would you tell me the truth, say, confidentially?" Sedov: "The Soviet Union makes an announcement as soon as a rocket is launched. There is no substantial difference between the Soviet Union and the United States in the way of announcement. If there is any failure, it must be known to the world."

It is our clear understanding that the Soviet Union does not announce all of its shots and therefore Dr. Sedov's answer appears to be in conflict with the information in our possession. Dr. Sedov's statement, and the report of the Venus shot failure are so patently at variance that we feel it is important that if the U.S. Government possesses any information relative to unsuccessful attempts by the Soviet Union to launch a spacecraft to Venus, or other planetary probes, that this information should be made available to our committees and to the American people.

The world must of necessity admire the remarkable achievements of the Soviet Union in the field of space. A shadow is thrown over the entire space effort through their refusal to admit to failures. The United States is not without its failures, but we operate in a free society and our failures, as well as our successes, are made known to all.

We would appreciate an answer to this letter promptly.

Sincerely yours,

GEORGE P. MILLER,
*Chairman, House Committee on Science
and Astronautics.*

ROBT. S. KERR,
*Chairman, Senate Aeronautical and
Space Sciences Committee.*

NATIONAL AERONAUTICS AND SPACE
ADMINISTRATION,
Washington, D.C., September 5, 1962.

HON. ROBERT S. KERR,
*Chairman, Committee on Aeronautical and
Space Sciences, U.S. Senate, Washington,
D.C.*

HON. GEORGE P. MILLER,
*Chairman, Committee on Science and
Astronautics, U.S. House of Representa-
tives, Washington, D.C.*

GENTLEMEN: I agree. The Soviets' broad policy of announcing successes but declining to admit failure does cast a shadow over their entire space effort—remarkable as it might be.

You jointly proposed that if the U.S. Government possesses any information relative to

unsuccessful planetary probes by the Soviet Union, that this information should be made available to your committees and to the American people.

In response to this proposal, inquiry was made of appropriate agencies of this Government. The response was as follows:

"The Soviet Union has pursued a vigorous but unsuccessful program to send instrumented space probes to the planets. Thus far, two attempts have been made to send spacecraft to Mars and four to Venus. Of these six attempts, only one probe was successfully launched on an interplanetary path, the Venus probe of February 12, 1961. However, it was only a qualified success because its radio transmission failed after several days, long before it reached Venus. None of the five remaining attempts achieved a successful trajectory because of rocket vehicle malfunctions.

"The same mission-planning philosophy and vehicle combination was used on each of the Soviet interplanetary series. A parking orbit technique is consistently exploited, whereby the first three stages attempt to launch the payload into a low earth satellite orbit as in the US Mariner program. After one passage around the earth, the fourth or ejection stage is fired over Africa. If successful, this sends the instrumented probe on a ballistic path to the planets. Had the launching been successful in each of the six cases listed below, the probe would have arrived at Venus or Mars with too high a velocity to have been orbited around either planet. Optimum conditions were chosen for each launching attempted thus far so as to simplify the task of either guidance or performance—or both.

"1. October 10, 1960: An unannounced attempt to send a probe to Mars failed before a parking orbit was achieved. Had this probe been successful, it would have reached Mars in about 230 days.

"2. October 14, 1960: A second attempt to send a probe to Mars using virtually the same trajectory also failed before a parking orbit was achieved.

"3. February 4, 1961: The first attempt to send a spacecraft to Venus was successfully placed in its Earth parking orbit, but could not be ejected into its planned Venus trajectory. The Soviet Union announced the launching as a successful earth satellite Sputnik VII and claimed for it a new weight in orbit record of 14,300 pounds. Had this probe been successfully ejected, it would have taken about 105 days to reach Venus.

"4. February 12, 1961: A partially successful attempt to send a 1,400-pound spacecraft to Venus was made on this date. All vehicle stages functioned normally, and the probe was correctly placed on its interplanetary path. The Soviet Union correctly announced that this was the first time that a spacecraft was successfully ejected outward from orbit. The probe took 97 days to reach the vicinity of Venus. The Soviets apparently experienced a failure in the power supply or radio transmitter, and the probe was last heard from at a distance of 4.5 million miles from the earth.

"5. August 25, 1962: A third attempt to send a probe to Venus was made on this date. The payload was successfully placed into its satellite parking orbit, but apparently could not be ejected. Had this shot been successful, the probe would have arrived at Venus on about December 7, 1962, ahead of the U.S. Mariner II. It appears that the normal flight time of 112 days for this date was intentionally shortened to 104 days by sacrificing spacecraft weight. This launching attempt has not yet been announced by the Soviet Union.

"6. September 1, 1962: The fourth attempt to reach Venus was also successfully placed into a satellite parking orbit, but could not be ejected. The Soviet Union has not yet

announced this attempt nor the presence of the unused components in orbit."

Sincerely,

JAMES E. WEBB,
Administrator.

CONGRESSIONAL JOURNEYS

(Mr. JOELSON asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. JOELSON. Mr. Speaker, I believe that it is high time the ancient custom of congressional junkets be junked. In most cases they are a waste of taxpayers' money and hold the Congress up to disrespect and ridicule.

There are, of course, many cases in which congressional trips are both justified and desirable because they serve valuable legislative purposes. However, I believe we should all exercise restraint as Congressmen to make sure that any trips we take are really useful for the national interest.

I want to make it clear that I am not referring to any specific trip by any colleague. As a matter of fact, I feel it unfortunate for the press to concentrate on one Congressman when, in plain truth, so many have engaged in journeys of questionable value.

HOUSING FOR THE HANDICAPPED

(Mr. ASHLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ASHLEY. Mr. Speaker, early this year I was invited to address the Northwestern Ohio Rehabilitation Association. This was an invitation which I happily accepted and which I am extremely glad I did because it led last week to the introduction of a bill, H.R. 13023, to provide a program of housing for the handicapped which in my opinion can become another landmark in the history of our national housing legislation.

My bill would amend the present direct loan program for housing for the elderly by making handicapped persons and families eligible as well as those of advanced age. I can think of no group more deserving of decent housing than our handicapped people who are willing to work but whose disabilities limit their earning capacity. The Office of Vocational Rehabilitation of the Department of Health, Education and Welfare estimates that there are today between 16 and 18 million severely disabled people in our country. Many have been able to make an adjustment to their disability either by themselves or with help and are able, by and large, to lead satisfactory and productive lives.

But there is a category of handicapped persons in this country who cannot work or are severely limited in their activity who with some attention and help, could become more economically productive citizens. My bill, Mr. Speaker, aims to give this category of the handicapped an important measure of that attention and help in the form of moderate-priced housing specially designed to meet their particular physical needs.

House of Representatives

Chamber Action

Bills Introduced: 10 public bills, H.R. 13060-13069; 7 private bills, H.R. 13070-13076; and 3 resolutions, H.J. Res. 875, H. Con. Res. 520, and H. Res. 795, were introduced.

Pages 17612-17613

Bills Reported: Reports were filed as follows:

H.R. 3985, to impose a duty upon the importation of bread, amended (H. Rept. 2325);

H.R. 12599, relating to income tax treatment of terminal railroad corporations, amended (H. Rept. 2326); and

H. Con. Res. 356, designating "bourbon whiskey" as a distinctive product of the United States, amended (H. Rept. 2327).

Page 17612

Agriculture Appropriations: The House disagreed to Senate amendments to H.R. 12648, making appropriations for the Department of Agriculture and related agencies for fiscal year 1963; agreed to a conference requested by the Senate; and appointed as conferees Representatives Whitten, Natcher, Cannon, Horan, and Taber.

Page 17573

Legislative Program: The legislative program for the week of September 10-15 was announced by the majority leader.

Page 17575

Calendar Wednesday: Agreed to dispense with Calendar Wednesday business of September 12.

Page 17576

Program for Monday: Adjourned at 1:59 p.m. until Monday, September 10, at 12 o'clock noon, when the House will consider H.R. 10129, regarding guaranteed loans to airlines (1 hour of debate); and H.R. 12365, regarding grants for clinics for migratory farmworkers (1 hour of debate).

Committee Meetings

SMALL BUSINESS ACT

Committee on Banking and Currency: Subcommittee No. 2 continued hearings on H.R. 10518, and related bills, to amend the Small Business Act, to provide that the program under which Government contracts are set aside for small business concerns shall not apply in the case of contracts for maintenance, repair, or construction. Heard testimony from public witnesses. Hearings continue Friday, September 7.

HOME LOAN BANK BOARD

Committee on Government Operations: Special Subcommittee on the Home Loan Bank Board met in executive session on pending business.

GOLD PROCUREMENT AND SALES AGENCY—MICA

Committee on Interior and Insular Affairs: Subcommittee on Mines and Mining held a hearing on H.R. 12530, regarding a program for the Government purchase and resale of domestically produced, newly mined processed mica and mica ore; H.R. 12872, 12873, 12874, 12929, and 13043, to establish a Gold Procurement and Sales Agency; and H.R. 11294, to provide for a study of the domestic gold-mining industry. Heard testimony from Representatives Whitener and Taylor (H.R. 12530); Representatives Johnson of California, Rivers of Alaska, Berry, and Chenoweth (H.R. 11294 and 12872, and related bills); departmental witnesses and public witnesses (H.R. 12530); and a public witness (H.R. 11294 and 12872, and related bills).

CONSTITUTION DAY

Committee on the Judiciary: Subcommittee No. 4 held a hearing on S.J. Res. 217 and H.J. Res. 860, making the 17th day of September in each year a legal holiday to be known as "Constitution Day." Heard testimony from legislative employees representing Senator Dirksen and Representative Arends; and public witnesses.

RIVERS—HARBORS

Committee on Public Works: Subcommittee on Rivers and Harbors held a hearing on title I of the omnibus rivers and harbors and flood control bill. Testimony was given by representatives of the Corps of Engineers.

Joint Committee Meetings

APPROPRIATIONS—AGRICULTURE

Conferees met in executive session to resolve the differences between the Senate- and House-passed versions of H.R. 12648, fiscal 1963 appropriations for the Department of Agriculture, but did not reach final agreement, and will meet again tomorrow.

BILLS SIGNED BY THE PRESIDENT

New Laws

(For last listing of public laws, see Digest, p. D799, August 31, 1962)

S. 981, authorizing the Geological Survey to examine mineral resources in areas outside the national domain. Signed September 5, 1962 (P.L. 87-626).

S. 1208, authorizing the leasing of land on the Colorado River Indian Reservation, Ariz. and Calif. Signed September 5, 1962 (P.L. 87-627).

S. 2916, changing the names of the Edison Home National Historic Site and the Edison Laboratory National Monument. Signed September 5, 1962 (P.L. 87-628).

S. 3174, to provide for division among the members of the tribal assets of the Ponca Tribe, Nebraska. Signed September 5, 1962 (P.L. 87-629).

S. 2008, relating to the construction and operation of the Spokane Valley project. Signed September 5, 1962 (P.L. 87-630).

S. 3112, to extend the boundaries of the Pike National Forest, Colo., and the Carson and Santa Fe National Forests, N. Mex. Signed September 5, 1962 (P.L. 87-631).

S. 3574, to extend the International Wheat Agreement Act of 1949. Signed September 5, 1962 (P.L. 87-632).

S. 2399, providing for the establishment of the Frederick Douglass National Memorial in the D.C. Signed September 5, 1962 (P.L. 87-633).

S. 3327, to make certain federally impacted areas eligible for assistance under the public facility loan program. Signed September 5, 1962 (P.L. 87-634).

S. 2973, to revise the boundaries of the Capulin Mountain National Monument, N. Mex. Signed September 5, 1962 (P.L. 87-635).

H.R. 10263, authorizing the Air Force to adjust the legislative jurisdiction exercised by the U.S. over lands within Eglin AFB, Fla. Signed September 5, 1962 (P.L. 87-636).

H.R. 2446, to provide that hydraulic brake fluid sold in commerce for use in motor vehicles shall meet certain specifications. Signed September 5, 1962 (P.L. 87-637).

H.R. 6984, to provide a method of payment of indirect costs of research and development contracted by the Federal Government at educational institutions. Signed September 5, 1962 (P.L. 87-638).

H.R. 3801, to authorize Secretaries of Army and Agriculture to survey jointly watershed areas for flood control or the conservation, development, and disposal of water. Signed September 5, 1962 (P.L. 87-639).

H.R. 11251, transferring jurisdiction over certain lands within Fort Hancock Military Reservation, N.J. Signed September 5, 1962 (P.L. 87-640).

H.R. 12081, authorizing conveyance of land at Hunter-Liggett Military Reservation for construction of the San Antonio Dam and Reservoir project. Signed September 5, 1962 (P.L. 87-641).

H.R. 10825, repealing the act directing the Secretary of the Air Force to convey certain lands to the city of

Warner Robins, Ga. Signed September 5, 1962 (P.L. 87-642).

H.R. 11319, to eliminate tin in the alloy of the 1-cent piece. Signed September 5, 1962 (P.L. 87-643).

COMMITTEE MEETINGS FOR FRIDAY, SEPTEMBER 7

(All meetings are open unless otherwise designated)

Senate

Committee on Appropriations, on fiscal 1963 budget estimates for foreign aid, to hear public witnesses, 10:30 a.m., room F-37, Capitol.

Subcommittee, to resume hearings on H.R. 12276, fiscal 1963 appropriations for the D.C., on funds for the welfare program, 9:30 a.m., room F-39, Capitol.

Committee on Banking and Currency, on the nomination of Walter C. Sauer, of the D.C., to be First Vice President, Export-Import Bank of Washington; the nominee will testify, 10 a.m., 5302 New Senate Office Building.

Committee on Foreign Relations, open followed by executive, on nominations and other committee business, 10 a.m., room F-53, Capitol.

Committee on Government Operations, Permanent Subcommittee on Investigations, on the financial activities of Billie Sol Estes, 10 a.m., 318 Old Senate Office Building.

Committee on the Judiciary, executive, on committee business, 10:30 a.m., 2300 New Senate Office Building.

Committee on Labor and Public Welfare, Special Subcommittee, executive, on S. 1055 and S. 1322, to permit employees covered by the Federal Employees Compensation Act to utilize the services of chiropractors for injuries sustained, 9:30 a.m., 4232 New Senate Office Building.

Committee on Post Office and Civil Service, executive, on H.R. 7927, proposed Postal Revision Act, 2 or 2:30 p.m., 6200 New Senate Office Building.

Committee on Public Works, Subcommittee on Flood Control—Rivers and Harbors, on Oklahoma projects to be included in the omnibus flood control bill, 10 a.m., 4200 New Senate Office Building.

House

Committee on Banking and Currency, Subcommittee No. 2, on H.R. 10518, and related bills, to amend the Small Business Act, to provide that the program under which the Government contracts are set aside for small business concerns shall not apply in the case of contracts for maintenance, repair, or construction, 10 a.m., 1301 New House Office Building.

Committee on Government Operations, Special Subcommittee on Home Loan Bank Board, executive, on pending business, 10 a.m., 100-B, George Washington Inn.

Joint Committee

Conferees, executive, on H.R. 12648, fiscal 1963 appropriations for the Department of Agriculture, 10:30 a.m., room P-63, Capitol.



Congressional Record

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Sept. 7, 1962

14. WILDLIFE. Sen. Humphrey discussed the "marriage" of Smokey the Bear saying, "This is the social event of the year." p. 17798

15. APPROPRIATIONS. The "Daily Digest" states that "Conferees, in executive session continued to resolve the differences between the Senate- and House-passed versions of H. R. 12648, fiscal 1963 appropriations for the Department of Agriculture." p. D817

16. ADJOURNED until Mon. Sept. 10. p. 17799

ITEMS IN APPENDIX

17. AGRICULTURAL EXCHANGE. Extension of remarks of Sen. Church commending a recent tour of four Iron Curtain countries by a delegation of Idaho ranchers and farmers. p. A6666

BILLS APPROVED BY THE PRESIDENT

18. ELECTRIFICATION. S. 1606, to authorize the Federal Power Commission to exempt small hydro-electric projects from certain of the licensing provisions of the Federal Power Act. Approved September 9, 1962 (Public Law 87-647)

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COMMITTEE HEARINGS SEPT. 10:

Farm bill, conferees (exec).

Federal pay bill, S. Civil Service (exec).

Transportation bills, S. Commerce

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INVESTIGATION—USDA-ESTES

Committee on Government Operations: The Permanent Subcommittee on Investigations continued hearings on the financial activities of Billie Sol Estes, receiving testimony from Battle Hales, Defense Services Staff, ASCS, Department of Agriculture.

Hearings continue on Wednesday, September 12.

COMMITTEE BUSINESS

Committee on the Judiciary: Committee, in executive session, by a vote of 11 to 4, ordered favorably reported the nomination of Thurgood Marshall, of New York, to be U.S. circuit judge, second circuit.

Committee also approved H.R. 12459, to provide for the relief of certain enlisted members of the Coast Guard; and six private immigration bills (S. 3282, 3297, 3298, 3452, H.R. 10160, and 11866).

Committee indefinitely postponed further action on three private immigration bills (S. 135, 137, and 2157).

POSTAL RATES

Committee on Post Office and Civil Service: Committee continued executive consideration of H.R. 7927, proposed Postal Revision Act, but did not conclude action thereon, and will meet again on Monday, September 10.

OMNIBUS FLOOD CONTROL BILL

Committee on Public Works: Subcommittee on Flood Control—Rivers and Harbors held hearings on Oklahoma projects proposed to be included in the omnibus flood control bill, receiving testimony from Mark S. Gurnee, Loney W. Hart, and Col. Robert W. Fritz, all of the Corps of Army Engineers; Thomas Carter, vice president, Missouri, Kansas & Texas Railroad; James Egan, mayor of Muskogee; Charles C. Pate and Ellis Brown, representing quarry owners of Eufaula, Okla.; Harry W. Owens, mayor, Rex Rollins, engineer, Walter R. Arnote, attorney, and Pete Rosso, councilman, all of McAlester, Okla.; L. C. Lambert, mayor of Yale, Okla.; and Guy Swadley, mayor of Eufaula.

Hearings continue on Thursday, September 13.

House of Representatives

Chamber Action

The House was not in session today. Its next meeting will be held on Monday, September 10, at 12 o'clock noon. For program see Congressional Program Ahead in this DIGEST.

Committee Meetings

SMALL BUSINESS ACT

Committee on Banking and Currency: Subcommittee No. 2 continued hearings on H.R. 10518, and related bills, to amend the Small Business Act, to provide that the program under which Government contracts are set aside for small business concerns shall not apply in the case of contracts for maintenance, repair, or construction. Heard testimony from G. C. Bannerman, Deputy Assistant Secretary for Defense for Procurement (Installations and Logistics), accompanied by

Richard Webb, Director for Small Business Policy, Office of Assistant Secretary for Defense; and Charles W. Gasque, Jr., Assistant Commissioner, Office of Procurement Policy, Federal Supply Service, General Services Administration.

HOME LOAN BANK BOARD

Committee on Government Operations: Subcommittee on the Home Loan Bank Board met in executive session regarding the activities of the Home Loan Bank Board.

Joint Committee Meetings

APPROPRIATIONS—AGRICULTURE

Conferees, in executive session, continued to resolve the differences between the Senate- and House-passed versions of H.R. 12648, fiscal 1963 appropriations for the Department of Agriculture.

CONGRESSIONAL PROGRAM AHEAD

Week of September 10-15

(Committee meetings are open unless otherwise indicated)

Senate Chamber

Senate's unfinished business is consideration of House amendments to S. 2965, standby authority to accelerate public works programs.

Senate Committees

Committee on Appropriations: September 12, to continue executive hearings on 1963 budget estimates for foreign aid, on

funds for the Peace Corps, 2 p.m., 1223 New Senate Office Building.

Committee on Armed Services: September 10, executive, to hear Secretary of Defense McNamara on S.J. Res. 224, authorizing the President to order units and members of the Ready Reserve to active duty for not more than 12 months, 10:30 a.m., 212 Old Senate Office Building.

Committee on Commerce: September 10-12, to resume hearings on S. 3242 and S. 3243, the administration's transportation bills, 10 a.m., 5110 New Senate Office Building;

September 13, Merchant Marine and Fisheries Subcommittee, to resume hearings on S. 3649, relating to the vessels *Montauk* and *Glenbrook*, 10 a.m., 1318 New Senate Office Building.

Committee on Finance: September 10, executive, on several House-passed bills, 10 a.m., 2221 New Senate Office Building; September 11, executive, to resume consideration of H.R. 11970, proposed Trade Expansion Act, 10 a.m., 2221 New Senate Office Building.

Committee on Foreign Relations: September 11, executive, to hear Secretary of State Rusk discuss the itinerary of the forthcoming meeting of the U.N., 10:30 a.m., room F-53, Capitol.

Committee on Government Operations: September 12, Permanent Subcommittee on Investigations, to resume hearings on the financial activities of Billie Sol Estes, 10 a.m., 318 Old Senate Office Building.

Committee on the Judiciary: September 11, to hold hearings on the nomination of Arthur J. Goldberg, to be an Associate Justice of the Supreme Court, 10:30 a.m., 2228 New Senate Office Building.

Committee on Labor and Public Welfare: September 13, Subcommittee on Health, on S. 2269 and H.R. 11099, authorizing establishment within the PHS of a National Institute of Child Health and Human Development and a National Institute of General Medical Sciences, 10 a.m., 4232 New Senate Office Building.

Committee on Post Office and Civil Service: September 10, to continue executive consideration of H.R. 7927, proposed Postal Revision Act, 10:30 a.m., 6200 New Senate Office Building.

Committee on Public Works: September 13, Subcommittee on Flood Control—Rivers and Harbors, to continue hearings on omnibus flood control bill, 10 a.m., 4200 New Senate Office Building.

Committee on Rules and Administration: September 12, executive, on committee business, 10 a.m., 301 Old Senate Office Building.

Select Committee on Small Business: September 12, to receive reports from the Defense Department and Small Business Administration on their small business procurement programs for 1962 and 1963, 10 a.m., SE-226, Capitol.

House Chamber

Monday, District day (no business)—The House will consider the following two bills:

H.R. 10129, regarding guaranteed loans to airlines (1 hour of debate); and H.R. 12365, regarding grants for clinics for migratory farmworkers (1 hour of debate).

Tuesday and Wednesday, the House will act on the following three bills:

H.R. 12080, relating to higher interest rates on the deposits of foreign governments (1 hour of debate);

S. 4, to provide for the establishment of Padre Island National Seashore; and

H.R. 12718, to amend the Atomic Energy Act to provide for disposal of federally owned properties at Los Alamos, N. Mex. (1 hour of debate).

Thursday and balance of week, the House will consider S. 2768, to promote the foreign policy of the United States by authorizing the purchase of United Nations bonds and the appropriation of funds therefor (5 hours of debate).

Any record votes, other than on procedural matters or adoption of rules, that develop on Monday, Tuesday, or Wednesday, will be deferred to Thursday.

NOTE.—Conference reports may be brought up at any time.

House Committees

Committees on Armed Services-Foreign Affairs: September 12, joint committee meeting, executive, to hear Secretary of State Dean Rusk, and representatives of the Defense Department and Central Intelligence Agency.

Committee on Banking and Currency: September 10, 11, and 12, Subcommittee No. 2, on H.R. 10518, and related bills, to amend the Small Business Act, Monday, 10 a.m., 1301 New House Office Building.

Committee on Education and Labor: September 12, Ad Hoc Subcommittee on the Investigation of the International Ladies Garment Workers Industry.

September 13, full committee, executive, on pending business.

Committee on Foreign Affairs. (See Committee on Armed Services.)

Committee on Government Operations: September 10, Subcommittee on Foreign Operations and Monetary Affairs, hearing re the Agency for International Development, 10 a.m., 304 Old House Office Building.

September 11, 12, and 13, Subcommittee on Executive and Legislative Reorganization, on military cost activities.

Committee on Interior and Insular Affairs: September 12, on H.R. 11781, to redesignate the Big Hole Battlefield National Monument; S. 77, re Chesapeake and Ohio Canal National Historical Park; H.R. 12747, re economic development of the Virgin Islands; H.R. 9712, re reserved mineral interests; H.R. 11165, re outdoor recreation planning; H.R. 11172, re land conservation fund; H.R. 12528, re recreational area, park, and sea-shore planning; S. 543, re preservation of certain shoreline areas in the U.S.; and S. 3153, to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal plants in that region.

September 13 and 14, Subcommittee on Public Lands, on H.R. 12473, S. 2369, H.R. 9098, H.R. 3927, S. 703, S. 2530, S. 1065, H.R. 3621, H.R. 11710, and H.R. 11712, public lands measures.

Committee on the Judiciary: September 11, executive, on pending legislation.

September 12, Subcommittee No. 2, executive, on pending legislation.

September 13, Subcommittee No. 1, on immigration and population study.

Committee on Merchant Marine and Fisheries: September 11, Subcommittee on Fisheries and Wildlife Conservation, on H.R. 11343, and identical bills, to direct the Secretary of the Interior to initiate a salmon and steelhead development program in California; and H.R. 9547, to facilitate the application and operation of the Fish and Wildlife Act of 1956.

Committee on Post Office and Civil Service: September 11, Subcommittee on H.R. 10696, revising the requirements for information to be furnished annually to the Postmaster General by publications having second-class mail privileges.

Committee on Public Works: September 11, 12, and 13, Subcommittee on Rivers and Harbors, on title I of the omnibus rivers and harbors and flood control bill.

Committee on Science and Astronautics: September 11, Subcommittee No. 4, on weather satellite development.

Joint Committee Meetings

Joint Committee on Atomic Energy: September 13 and 14, to hold hearings on progress in the development of nuclear rockets and other atomic energy devices for use in space, 10 a.m. and 2 p.m., room AE-1, Capitol.

Conferees: September 10, executive, on H.R. 12391, proposed Food and Agriculture Act of 1962, 2 p.m., SE-226, Capitol.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Sept. 13, 1962
For actions of Sept. 12, 1962
87th-2d, No. 164

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HIGHLIGHTS: House committee voted to report bills to increase number of new counties eligible for crop insurance, further restrict interstate movement of diseased livestock and poultry, increase limitation on FHA loans, extend time for leasing tobacco allotments, facilitate work of Forest Service, facilitate USDA administrative operations, and provide cooperation with States in administration of agricultural laws. Conferees granted permission to file conference report on USDA appropriation bill by midnight, Sept. 12. Senate passed bills to: Increase authorization for Cooperative Forest Management Act. Provide for cooperation with States in administration of agricultural laws. Senate concurred in House amendment to bill to expand survey of forest resources. Sen. Morse discussed recent criticisms of administration of national forests.

HOUSE

- 1. FARM PROGRAM.** The "Daily Digest" states that "Conferees continued, in executive session, to resolve the differences between the Senate- and House-passed versions of H. R. 12391, proposed Food and Agriculture Act of 1962, and reached tentative agreement thereon, and will meet again on Friday, September 14."
p. D834
- 2. APPROPRIATIONS.** The conferees were granted until midnight Wed., to file a conference report on H. R. 12648, the agricultural appropriation bill for 1963.
p. 18127
Received and agreed to the conference report on H. R. 12870, the military construction appropriation bill (H. Rept. 2356). pp. 18173-6, 18178
The Appropriations Committee was granted permission to report the foreign aid appropriation bill on Tues., Sept. 18, and bring it to the floor on Thurs., Sept. 20. p. 18132

3. AGRICULTURE COMMITTEE. The Agriculture Committee voted to report (but did not actually report) S. 2859, to amend the Federal Crop Insurance Act, as amended, in order to increase from 100 to 150 the number of new counties in which crop insurance may be offered each year; S. 3120, to grant the Secretary of Agriculture additional authority to permit the interstate movement of certain diseased livestock and poultry; H. R. 11111, to authorize the Secretary of Agriculture to sell and convey certain forest lands in Iowa; H. R. 12434 (amended), omnibus bill to facilitate the work of the Forest Service; H. R. 12653 (amended), to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase the limitation on the amount of loans which may be insured under subtitle A of such Act; H. R. 12855 (amended), relating to the lease and transfer of tobacco acreage allotments; H. R. 12811 (amended), omnibus bill to facilitate the work of the Department of Agriculture; H. R. 12802, to provide further for cooperation with States in administration and enforcement of certain Federal laws; and S. 3152, to provide for the nutritional enrichment and sanitary packaging of rice prior to its distribution under certain Federal programs, including the national school lunch program. The Committee passed over without prejudice S. 3517, earmark Sec. 32 funds to establish and carry out a program to promote the flow of domestically produced lumber in commerce; and S. 2121, to establish Federal agricultural services to Guam; and voted to accept Senate amendments to H. R. 8520, to limit financial and technical assistance for drainage of certain wetlands. p. D833
4. ROADS. The Public Works Committee voted to report (but did not actually report) S. J. Res. 137, to authorize the Secretary of Commerce, in cooperation with Alaska, to undertake studies and surveys relative to a highway construction program for Alaska. p. D834
5. MONOPOLIES. The Interstate and Foreign Commerce Committee reported with amendment H. J. Res. 636, the proposed Quality Stabilization Act (H. Rept. 2352). p. 18178
6. LOBBYING. Received from the Clerk of the House and the Secretary of the Senate the quarterly reports pursuant to the Regulation of Lobbying Act. pp. 18180-211

SENATE

7. FORESTRY. Passed without amendment H. R. 9728, to increase the amount authorized to be appropriated to carry out the Cooperative Forest Management Act from \$2.5 million to \$5 million. This bill will now be sent to the President. pp. 18071-2
- Passed without amendment S. 3589, to authorize the Secretary of Agriculture to acquire certain lands in Wright County, Minn., and exchange them with Minn. for State-owned lands in the Superior National Forest. p. 18072
- Concurred in the House amendment to S. 3064, to increase the authorization for the national survey of forest resources from \$1.5 to \$2.5 million annually. This bill will now be sent to the President. p. 18073
- Passed with amendment S. 3335, to revise the boundaries of the Big Hole Battlefield National Monument, Mont., including the transfer of land from the Beaverhead National Forest to the Monument. p. 18073
- Sen. Morse discussed recent criticism of the administration of the national forests and stated that "Secretary Freeman is now addressing himself to this problem" and that "These times require a reassessment of procedures, a reanalysis of attitudes, the communication of ideas, but most of all an improvement in performance." pp. 18106-7

House of Representatives

WEDNESDAY, SEPTEMBER 12, 1962

The House met at 12 o'clock noon.
The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Galatians 6:2: *Bear ye one another's burdens, and so fulfill the law of Christ.*

O Thou who art always ministering to our every need, in this moment of prayer, may we be brought into tune with Thy will for we are daily encountering many demands and difficulties.

We acknowledge that there is so much discord and disorder in our world and we need health of body and soul to lift us out of the darkness that surrounds us and dims our way.

Forgive us that we frequently fail to discern what is good and neglect to do that which will help humanity carry its heavy burdens.

Inspire us to manifest our faith by being faithful in our high calling to deliver troubled mankind from its fears and frustrations.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1960. An act to amend chapter 85 of title 28 of the United States Code relating to the jurisdiction of the U.S. district courts, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 133. Joint resolution to provide for the coinage of a medal in recognition of the distinguished services of Sam Rayburn, Speaker of the House of Representatives.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1130. An act to amend title III of the Public Health Service Act to authorize grants for family clinics for domestic agricultural migratory workers, and for other purposes.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1963

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on H.R. 12648, the Department of Agriculture appropriation bill for 1963.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit while the House is in session during general debate tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

UNITED NATIONS LOAN

(Mr. ALBERT was given permission to address the House for 1 minute.)

Mr. ALBERT. Mr. Speaker, I take this time to read to the House a letter addressed to the Speaker by the President of the United States, dated September 11, 1962:

THE WHITE HOUSE,
Washington, D.C., September 11, 1962.
Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: With the time drawing near for debate and decision on the United Nations loan, I want to share with you my conviction concerning the importance of S. 2748. The House Committee on Foreign Affairs has approved the Senate bill with a number of amendments which are wholly satisfactory.

These modifications and amendments spell out and affirm views that I have endorsed. They guarantee that the loan will be repaid, that it will not set a precedent, that financing the United Nations is the responsibility of the many and not the few, that our contributions to the United Nations should not be used to relieve others of their obligations, and that the United Nations must begin work on a better system of financing special operations.

I am, of course, pleased by the identity of views between the Congress and the administration on the principle of fiscal responsibility in the United Nations and by the recognition of the principle by the International Court of Justice that the peacekeeping operations of the United Nations are a financial responsibility of all of its members.

I am encouraged, as I know you are, by the response of other members of the United Nations to the bond issue. Following favorable action by the Congress, there is good reason to expect that the United Nations loan will be fully subscribed with the U.S. share matched by the other nations.

Finally, I am enthusiastic about the nationwide interest in the future of the United Nations. That is the consequence in considerable part of thorough congressional consideration and discussion of this measure.

There are many good reasons to support this loan. You have heard these reasons from this administration, from President

Eisenhower, President Truman, and other distinguished leaders of both political parties. I would add one final thought: in historical terms, the United Nations is still in its infancy—and without our full support it will have no chance to grow into the mature institution foreseen by the farsighted men who wrote the Charter for an organization—"to secure succeeding generations from the scourge of war."

Sincerely,

JOHN F. KENNEDY.

PRESIDENT TRUMAN ON UNITED NATIONS BONDS

(Mr. TOLL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TOLL. Mr. Speaker, one of the most important issues to come before the 87th Congress will be considered tomorrow by the House of Representatives—the President's request for authorization to purchase up to \$100 million of United Nations bonds.

I believe that the views of former President Harry S. Truman on this subject will be of interest to all Members of Congress. President Truman sent the following letter to the executive director of the American Association for the United Nations, in reply to a request from the association for "Your views on the United Nations peacekeeping operations, particularly in the Congo, and the question of U.N. emergency financing."

I certainly appreciated yours of the 15th. There isn't any question in my mind but what a bipartisan support of the United Nations is essential. It is the only arrangement since the end of World War I that can in any way approach a world peace.

It is my opinion that the United Nations should be fully supported in every way, as it was in Korea and as it is now in the Congo, or we are headed for world war III.

In order to give the United Nations full support now, Congress should pass, by a large majority, the bill giving authority to the President to purchase the United Nations bonds.

Sincerely yours,

HARRY S. TRUMAN.

DISPOSAL OF THE LOS ALAMOS COMMUNITY

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 782 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12718) to amend the Atomic Energy Com-

munity Act of 1955, as amended, to provide for the disposal of federally owned properties at Los Alamos, New Mexico, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the gentleman from California [Mr. SMITH] and, pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 782 provides for the consideration of H.R. 12718, a bill to provide for the disposal of the Los Alamos community. The resolution provides an open rule with 1 hour of general debate.

When the atomic energy projects were started in secrecy during World War II by the Manhattan Engineering District—MED—at Oak Ridge, Tenn., Richland, Wash., and Los Alamos, N. Mex., many factors entered into the selection of the sites. One principal factor was distance from existing communities due to the need for extremely stringent security. It was, therefore, decided that towns would have to be built to house the employees at these installations. It was the desire of MED, and later the Atomic Energy Commission, to make these towns attractive to the large number of scientists and skilled employees whose abilities were, and still are, of vital importance to the progress of the atomic energy program.

In 1955, the Congress enacted the Atomic Energy Community Act of 1955, providing for the disposal of the Government-owned communities at Oak Ridge and Richland. A determination was made at that time that security requirements no longer made it necessary for continued Government ownership and that the communities were otherwise ready for disposal. The disposal operation at Oak Ridge is now complete and the Richland disposal has been virtually accomplished.

Because the disposal of the Oak Ridge and Richland communities proceeded successfully under the authority of the Atomic Energy Community Act of 1955, this legislation follows closely the pattern of that act with some modifications based upon prior disposal experience and the special requirements of the Los Alamos community.

Mr. Speaker, I urge the adoption of House Resolution 782.

Mr. Speaker, I want to compliment the committee and its distinguished chairman particularly for bringing this legislation out. It is very commendable, it is getting the Government out of the housing business, and putting this property on the rolls for tax purposes. I think this is very good legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

(Mr. SMITH of California asked and was given permission to revise and extend his remarks.)

Mr. SMITH of California. Mr. Speaker, as stated by the gentleman from Mississippi, this resolution provides for 1 hour general debate under an open rule in the consideration of H.R. 12718.

When these projects were originally started at Oak Ridge, Tenn., Richland, Wash., and Los Alamos, N. Mex., due to the very nature of the business involved, they had to be secretive in their activities. They had many employees. They had to provide housing for them, and communities had to be removed from the areas so that there would be places and situations that could be operated as secretly as possible.

As time has gone on, they have reduced their activities over the years. We have at the present time disposal operations along the same line that this bill provides for Los Alamos, which has been completed for Oak Ridge and are now nearly completed at Richland, Wash.

This situation was reviewed during the years and in 1961 and 1962, Senator ANDERSON and the Housing and Home Finance Agency concluded from their survey that this disposal program for Los Alamos is possible and capable of being carried out. So following that, and on the basis of the AEC recommendation, this bill has been presented to the Congress.

There is one part of the bill that it is difficult for me to understand, but I presume that will be explained at a later time. In this sale the Government will get between \$28 and \$30 million, which has to do with continuing development at the project. But first, we must provide \$8 million to do certain work so we can proceed with the disposition of the matter.

There is no objection to the rule, and so far as I know, there is no objection to the bill.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT

(Mr. ALBERT asked and was given permission to address the House for 1 minute.)

Mr. ALBERT. Mr. Speaker, the gentleman from California [Mr. SHEPARD] has advised that the conference report on the military construction bill is in the process of being prepared, and it is hoped it can be brought up this afternoon.

If the conference report is not ready when the Legislative Calendar is disposed of, we hope either to bring it up after special orders have been disposed

of, or, if it is not ready by then, to declare a recess, pending the preparation of the conference report.

DISPOSAL OF THE LOS ALAMOS COMMUNITY

Mr. ASPINALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12718) to amend the Atomic Energy Community Act of 1955, as amended, to provide for the disposal of federally owned properties at Los Alamos, N. Mex., and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Colorado.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12718, with Mr. MOELLER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Colorado [Mr. ASPINALL] will be recognized for 30 minutes, and the gentleman from Massachusetts [Mr. BATES] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, I yield myself 9 minutes.

(Mr. ASPINALL asked and was given permission to revise and extend his remarks.)

Mr. ASPINALL. Mr. Chairman, as was so ably stated by the distinguished gentleman from Mississippi [Mr. COLMER] when the gentleman talked on the rule, it is my opinion that this is another instance of fine progress on the part of the Congress of the United States in defederalizing certain communities which because of conditions existing in the early days of work and construction in such communities it was necessary for them to be organized as Federal cities. This is the fifth one of such instances in which it has been my pleasure to have something to do with the program of getting the Federal Government out of the business of running municipal government.

Mr. Chairman, as chairman of the Committee on Interior and Insular Affairs, it has been necessary to defederalize the city of Grand Coulee, Wash., as well as the city of Boulder, Nev. Both of these actions have been accomplished and the results have been most satisfactory. As former chairman of the Subcommittee on Communities of the Joint Committee on Atomic Energy, it was my privilege to have a little bit to do with the operation of defederalizing Richland, Wash., and Oak Ridge, Tenn. Both of these operations have gone along satisfactorily.

Mr. Chairman, H.R. 12718 is a bill providing for the sale of Government owned properties and the disposal of the atomic energy community at Los Alamos, N. Mex. It has been reported without dis-

Sept 14, 1962

9. TEXTILES. Sen. Thurmond inserted a Gaffney, S.C., Chamber of Commerce resolution requesting the President "to exert all force necessary to expedite handling of the unresolved portions of his seven-point textile program." pp.18415-6
10. ADJOURNMENT. Sen. Mansfield stated there was a good chance Congress would adjourn sine die by the end of Sept., but if necessary would continue into Oct. to enact the President's legislative program. pp. 18418-9
11. LEGISLATIVE PROGRAM. Sen. Mansfield announced that the foreign trade bill will be taken up Mon., Sept. 17 (p. 18425). Sen. Humphrey stated that the following bills will be considered on Mon. or soon thereafter: H. R. 11665, school lunch fund apportionment bill, H. R. 12628, housing for the elderly in rural areas, and H. R. 12135, the roads bill (p. 18443).
12. ADJOURNED until Mon., Sept. 17. p. 18444

HOUSE

13. APPROPRIATIONS. The "Daily Digest" states that "Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of H. R. 12648, fiscal 1963 appropriations for the Department of Agriculture. It was announced that the report will be filed in the House on Monday, September 17." p. D846

Received the conference report on H. R. 12711, the independent offices appropriation bill (H. Rept. 2376). The conference report provides for \$5,000,000 for the Office of Emergency Planning for civil and defense mobilization functions of Federal agencies, \$750,000 for the Office of Science and Technology, \$4,200,000 for Government payment for annuitants' health benefits fund, and \$181,200,000 for operating expenses of the Public Buildings Service, GSA. pp. 18382-7, 18413

14. PERSONNEL. Rep. Hechler said, "If ever there was a man for whom the adjective 'dedicated' was designed, it is Charles S. Murphy, Under Secretary of Agriculture," and inserted an article, "Charles S. Murphy: Fall Guy in Senate Estes' Probe--Refused to Fall." pp. 18408-9

The Post Office and Civil Service Committee reported with amendment H.R. 10706, to amend the Civil Service Retirement Act so as to provide for increases in annuities, eliminate the option with respect to certain survivor annuities, and provide for interchange of credits between the civil service retirement system and the insurance system established by title II of the Social Security Act (H. Rept. 2374). The "Daily Digest" states that "Major features of H. R. 10706 are as follows: 1. 7½-percent increase in annuities and survivor benefits effective January 1, 1963, with a minimum of \$120 for widows of employees who served 20 years; 2. Gradually reduced percentage increase for those retiring in the next 4 years; 3. Arbitrary "ceilings" in P.L. 555, 82nd Congress, and P.L. 369, 84th Congress, are removed (\$2,160 and \$4,104 ceilings); 4. Future annuity adjustments when the Consumer Price Index rises by 3 percent or more; 5. The minimum 2½ percent annuity reduction for providing survivor benefits is extended to the first \$3,600 of annuity, rather than the present \$2,400; 6. The ratio of survivor benefits to basic annuities is increased from 50 to 55 percent; and 7. Retiree survivor benefits will be automatic unless the retiree elects not to so provide otherwise." pp. 18413, D845

The Post Office and Civil Service Committee voted to report (but did not actually report) S. 1070, to amend the Federal Employees Group Life Insurance Act of 1954, as amended, so as to provide for an additional unit of life insurance. p. D845

15. CENSUS. The Post Office and Civil Service Committee voted to report (but did not actually report) with amendment H. R. 10569, to amend title 13, U.S.C. to preserve the confidential nature of copies of information filed with the Bureau of the Census on a confidential basis. p. D845
16. PERISHABLE COMMODITIES. The "Daily Digest" states that "Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of S. 1037, proposed Perishable Agricultural Commodities Act of 1962." p. D846
17. OCEANOGRAPHY. Conferees were appointed on S. 901, the proposed Marine Sciences and Research Act of 1962. Senate conferees have already been appointed. pp. 18372-3
18. ATOMIC ENERGY. Agreed to the conference report on H. R. 11974, the AEC authorization bill. The Senate has not yet acted on the report. pp. 18373-81
19. RESEARCH. Rep. Bow discussed the importance of the Ohio Agricultural Experiment Station and described it in detail. p. 18398
20. COMMON MARKET. Rep. Bell inserted a number of articles and editorials favorable to the Common Market. pp. 18398-400
21. SMALL BUSINESS. Rep. Multer inserted a statement commending the set-aside program of the Small Business Administration for construction contracts. pp. 18404-8
22. ROADS. The Public Works Committee reported without amendment S. J. Res. 137, to authorize the Secretary of Commerce, in cooperation with Alaska, to undertake studies and surveys relative to a highway construction program for Alaska (H. Rept. 2371). p. 18413
23. FOOD ADDITIVES. Rep. Fogarty discussed his bill to relieve manufacturers of losses incurred when certain red food colors were decertified by the Food and Drug Commission. p. 18409
24. LEGISLATIVE PROGRAM. Rep. Albert announced the following legislative program: Mon., Consent Calendar and the following suspensions; H. R. 12833, to extend the Air Pollution Control Act; H. R. 12434, to facilitate the work of the Forest Service; H. R. 12653, to amend the Consolidated Farmers Home Administration Act of 1961; H. R. 12802, cooperation with States on agricultural programs; and H. R. 12855, tobacco acreage allotments. Tues., S. 2429, revision of the Virgin Islands National Park boundaries; and the conference report on H. R. 12711, the independent offices appropriation bill. Thurs., the foreign assistance appropriation bill. pp. 18381-2
25. ADJOURNED until Mon. Sept. 17. p. 18413

ITEMS IN APPENDIX

26. OPINION POLLS. Extension of remarks of Rep. Shriver inserting results of a questionnaire sent to his constituents. p. A6821
27. PUBLIC WORKS. Extension of remarks of Rep. Knox expressing hope that passage of the public works acceleration bill will aid unemployment throughout the Nation. p. A6824

PUBLIC ASSISTANCE

Committee on District of Columbia: Subcommittee No. 1, in executive session, ordered reported favorably to the full committee S. 914 (amended), to provide for more effective administration of the public assistance, and to make certain relatives responsible for support of needy people.

Prior to taking action on the measure, in an open hearing the subcommittee heard testimony from a D.C. official.

URBAN RENEWAL

Committee on the District of Columbia: Subcommittee on Urban Renewal met in executive session on H.R. 12713, to amend the D.C. Redevelopment Act of 1945.

SHARPE GENERAL DEPOT—CALIFORNIA

Committee on Government Operations: Subcommittee on Executive and Legislative Reorganization concluded hearings on the construction of an airfield at Sharpe General Depot, Lathrop, Calif., and heard testimony from a Department of the Army witness.

HOME LOAN BANK BOARD

Committee on Government Operations: Subcommittee on Federal Home Loan Bank Board met in executive session on pending business.

PUBLIC LANDS

Committee on Interior and Insular Affairs: Subcommittee on Public Lands ordered reported favorably to the full committee H.R. 12473, to release the right, title, or interest, if any, of the U.S. in certain streets in the village of Heyburn, Idaho, and to repeal the reverter in patent and public reserves.

Prior to taking action on the bill the subcommittee heard testimony from a departmental witness.

COMMITTEE BUSINESS

Committee on Interstate and Foreign Commerce: Met in executive session on pending legislation. No announcements were made.

NATIONAL CULTURAL CENTER WEEK

Committee on the Judiciary: Subcommittee No. 4, in executive session, ordered reported favorably to the full committee S.J. Res. 214, to authorize the President to designate the period from November 26, 1962, through December 2, 1962, as National Cultural Center Week.

Prior to taking action held an open hearing on S.J. Res. 214, H.J. Res. 847, H.J. Res. 850, and H.J. Res. 863, identical measures (title above). Heard testimony from Representative Thompson of New Jersey (H.J. Res. 847).

COMMITTEE BUSINESS

Committee on Post Office and Civil Service: The committee, in executive session, ordered the following bills reported favorably to the House:

H.R. 10569 (amended), to amend title 13, United States Code, to preserve the confidential nature of copies of information filed with the Bureau of the Census on a confidential basis;

S. 1070, to amend the Federal Employees Group Life Insurance Act of 1954, as amended, so as to provide for an additional unit of life insurance; and

H.R. 10706 (amended), to amend the Civil Service Retirement Act so as to provide for increase in annuities, eliminate the option with respect to certain survivor annuities. Major features of H.R. 10706 are as follows: 1. 7½-percent increase in annuities and survivor benefits effective January 1, 1963, with a minimum of \$120 for widows of employees who served 20 years; 2. Gradually reduced percentage increase for those retiring in the next 4 years; 3. Arbitrary "ceilings" in P.L. 555, 82d Congress, and P.L. 369, 84th Congress, are removed (\$2,160 and \$4,104 ceilings); 4. Future annuity adjustments when the Consumer Price Index rises by 3 percent or more; 5. The minimum 2½ percent annuity reduction for providing survivor benefits is extended to the first \$3,600 of annuity, rather than the present \$2,400; 6. The ratio of survivor benefits to basic annuities is increased from 50 to 55 percent; and 7. Retiree survivor benefits will be automatic unless the retiree elects not to so provide otherwise.

FLOOD CONTROL

Committee on Public Works: Subcommittee on Flood Control held a hearing on title II of the omnibus rivers and harbors and flood control bill, with regard to the new Melones Dam, Calif. Heard testimony from Corps of Engineers officials; and public witnesses.

INTERNAL REVENUE—CHILD CARE EXPENSES

Committee on Ways and Means: Met in executive session and ordered reported favorably to the House H.R. 12470, to amend the Internal Revenue Code of 1954 to provide that the deduction for child care expenses shall be available to a wife who has been deserted by and cannot locate her husband on the same basis as a single woman.

EXPORT CONTROL ACT

Select Committee on Export Control: Held a discussion of policies followed since the amendment of the Export Control Act and steps taken to implement recommendations of the Select Committee on Export Control. Heard testimony from Dr. Jack N. Behrman, Assistant Secretary for International Affairs, accompanied by other Department of Commerce officials.

Joint Committee Meetings

SPACE PROGRAM

Joint Committee on Atomic Energy: Committee resumed, in executive session, its hearings on progress in the development of nuclear rockets and other atomic energy devices for use in the Nation's space program, having as its witnesses Dr. Frank Pittman, Director, Division of Reactor Development, AEC; Brockway McMillan, Assistant Secretary of Air Force for Research and Development; Harold Finger, Director of Nuclear Systems, NASA; Walter Doll, manager of nuclear systems, Pratt & Whitney Aircraft; V. E. Blake, Nuclear Space Department, Sandia; Dr. Jerome G. Morse, director, Auxiliary Power Systems Department, Martin-Marietta Co.; and Dr. A. B. Martin, vice president, Compact Systems Division, Atomics International.

Hearings continue on Wednesday, September 19.

BILLS SIGNED BY THE PRESIDENT

New Laws

(For last listing of public laws, see DIGEST, p. D840, September 13, 1962)

S. 2965, Public Works Acceleration Act. Signed September 14, 1962 (P.L. 87-658).

S. 3221, providing for the exchange of certain lands in Puerto Rico with the San Juan Darlington, Inc. Signed September 14, 1962 (P.L. 87-659).

S. 2421, to provide for retrocession of legislative jurisdiction over the U.S. Naval Supply Depot Clearfield,

APPROPRIATIONS—AGRICULTURE

Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 12648, fiscal 1963 appropriations for the Department of Agriculture. It was announced that the report will be filed in the House on Monday, September 17.

APPROPRIATIONS—INDEPENDENT OFFICES

Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 12711, fiscal 1963 appropriations for independent offices.

PERISHABLE AGRICULTURAL COMMODITIES

Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of S. 1037, proposed Perishable Agricultural Commodities Act of 1962.

Ogden, Utah. Signed September 14, 1962 (P.L. 87-660).

S. 1878, to extend the boundaries of the Wasatch National Forest and add additional lands thereto. Signed September 14, 1962 (P.L. 87-661).

S. 1108, to convey certain property in San Diego to the University of California. Signed September 14, 1962 (P.L. 87-662).

S. 3628, authorizing appointment of citizens of Guam and the Virgin Islands to the U.S. service academies. Signed September 14, 1962 (P.L. 87-663).

CONGRESSIONAL PROGRAM AHEAD

Week of September 17-22

(Committee meetings are open unless otherwise indicated)

Senate Chamber

On Monday, Senate will take up H.R. 11970, trade expansion, and possibly numerous other bills listed under "Legislative Program" in Senate Chamber Action. On September 20, Senate will consider resolutions on Cuba to be reported then.

Senate Committees

Committee on Appropriations: September 17, and 19-21, subcommittee, on H.R. 12580, fiscal 1963 appropriations for the Departments of State, Justice, and Commerce, Monday at 10:30 a.m. and 2 p.m., room F-39, Capitol.

September 21, full committee, to continue its executive hearings on fiscal 1963 budget estimates for foreign aid, 10 a.m., 1223 New Senate Office Building.

Committee on Armed Services: September 17, see Committee on Foreign Relations;

September 17, Preparedness Investigating Subcommittee, executive, on arms control and disarmament matters, to hear William C. Foster, Director, Arms Control and Disarmament

Agency, and Paul H. Nitze, Assistant Secretary of Defense for International Security Affairs, 2 p.m., 224 Old Senate Office Building.

Committee on Commerce: September 17, on S. 3615, mass transportation bill, 10 a.m., 5110 New Senate Office Building;

September 21, on the nomination of E. William Henry, of Tennessee, to be a member of the FCC, 10 a.m., 5110 New Senate Office Building.

Committee on Foreign Relations: September 17, to meet jointly in executive session with the Committee on Armed Services, on various resolutions pertaining to Cuba, to hear Secretary of State Rusk and Secretary of Defense McNamara, 10:30 a.m., 318 Old Senate Office Building;

September 17, Subcommittee on American Republics Affairs, executive, to meet with Ambassador to the OAS deLesseps Morrison to discuss Cuba, and other matters, 4:30 p.m., room F-53, Capitol.

Committee on Government Operations: September 18, Subcommittee on Intergovernmental Relations, executive, on subcommittee business, 10 a.m., to be followed by hearings on problems in the field of Federal-State-local relations, 10:30 a.m., 3302 New Senate Office Building.

Committee on Interior and Insular Affairs: September 17, executive, on H.R. 11590 (S. 3250), providing for the per capita distribution of judgment funds to the Cherokee Indians of Oklahoma, 10 a.m., 3112 New Senate Office Building.

Sept. 17, 1962

to be subject to the program could divert as much as their entire acreage for payment.

"Third. Certain crops not in surplus supply, such as safflower, sesame, and other minor crops, could be produced on diverted acreage at the discretion of the Secretary, and partial diversion payments could be made.

"Fourth. If more than one-third of the producers voting in the referendum opposed the program, price support would be provided at 50 percent of parity to cooperators.

" ...

"The bill provides also that the Secretary may increase the allotment for any type of wheat which would otherwise be in short supply. ...

"Authority is provided also for the Secretary to permit wheat to be produced on feed grain acreages to such extent and under such conditions as will not impair the operation of the wheat program. It is understood that this authority would not be used except in the case when an acreage diversion program for feed grains was in effect.

" ...

"Title IV--Farmers Home Administration

"The bill makes the following changes in the lending authorities of the Farmers Home Administration:

"First. Adds "recreational uses and facilities" to the purposes for which real estate loans may be made or insured to the owner-operators of not larger than family farms.

"Second. Adds "shifts in land use including the development of recreational facilities" to the purposes for which loans may be made or insured to associations serving farmers and other rural residents.

"Third. Adds "recreational uses and facilities" to the purposes for which operating loans may be made to the operator of not larger than family farms.

"Fourth. Adds a definition of farmers to include persons engaged in fish farming among farmers eligible for loans, and

"Fifth. Increases from 10 to 25 million the aggregate of the real estate loans which the Secretary may make out of the insurance fund to be sold and insured, which are on hand and not disposed of at any one time." pp. 18574-7

2. AGRICULTURAL APPROPRIATION BILL, 1963. Received the conference report on this bill, H. R. 12648 (H. Rept. 2381) (pp. 18487-9, 18583). Attached to this digest is a copy of the conference report and a summary of the action of the conferees.
3. FOREST SERVICE. Passed as reported H. R. 12434, to facilitate the work of the Forest Service (pp. 18560-1). This bill was reported with amendment on Sept. 15 (H. Rept. 2377) (p. 18583).
4. LOANS; FHA. Began debate on H. R. 12653, to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase from \$150 million to \$200 million annually the limitation on the amount of loans which may be insured under such Act (p. 18561). This bill was reported with amendment on Sept. 15 (H. Rept. 2378) (p. 18583).
5. COOPERATION. The Agriculture Committee reported on Sept. 15 (during adjournment of the House) without amendment H. R. 12802, to authorize the Secretary of Agriculture to cooperate with States in the administration and enforcement of Federal laws relating to the marketing of agricultural products and to the eradication or control of plant and animal diseases and pests. (H. Rept. 2379) p. 18583

6. TOBACCO. The Agriculture Committee reported on Sept. 15 (during adjournment of the House) with amendment H. R. 12855, to amend provisions of the Agricultural Adjustment Act of 1938 providing for the lease and transfer of tobacco acreage allotments so as to exclude cigar-filler and cigar-binder tobacco, types 42,43,44,53,54, and 55, from the lease and transfer authority. (H. Rept. 2380). p. 18583
7. WILDLIFE. The Subcommittee on Irrigation and Reclamation of the Interior and Insular Affairs Committee voted to report to the full committee S. 1988, to aid in the administration of the Tule Lake, Lower Klamath, and Upper Klamath National Wildlife Refuges in Oregon and California. p. D853
8. FLOOD CONTROL. Received from the Budget ^{Bureau} plans for works of improvement relating to the following watersheds: Crooked Bayou, Ark.; West Fork of Pond River, Ky.; Hardin Creek, Tenn.; and Mill Creek, Tenn.; to Agriculture Committee. p.18583
Received from the Budget Bureau plans for works of improvement relating to the following watersheds; Tobesofkee, Ga. (supplemental); Cottonwood Creek, Okla.; and Delaware Creek, Okla.; to Public Works Committee. p. 18583
9. EDUCATION. The "Daily Digest" states that "Conferees, in executive session, reached agreement on the differences between the Senate- and House-passed versions of H. R. 8900, authorizing Federal financial assistance for institutions of higher education, and will meet again on Wednesday, September 19, to sign a conference report thereon." p. D853
10. MINING. Passed with amendment S. 3451, to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed. A similar bill, H. R. 12761, was laid on the table. pp. 18532-4, 18545-50
11. AIR POLLUTION. Passed with amendment S. 455, to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law. A similar bill, H. R. 12833, which was earlier passed under suspension of the rules, was laid on the table. pp. 18556-60
12. EDUCATION; VETERANS. Passed with amendment S. 2697, to amend title 38, U.S.C., to provide an extension of the period within which certain educational programs must be begun and completed in the case of persons called to active duty during the Berlin crisis. A similar bill, H. R. 9962, was laid on the table. pp. 18489-92
13. PERSONNEL. The Post Office and Civil Service Committee reported with amendment S. 1070, to amend the Federal Employees' Group Life Insurance Act of 1954, as amended, so as to provide for an additional unit of life insurance (H. Rept. 2383). p. 18583
14. HOUSE RULES. Rep. Reuss urged five amendments to the Rules of the House of Representatives intended to expedite the business of Congress. pp. 18567-70
15. SMALL BUSINESS. Rep. Roudebush discussed the American patent system and said, "It is my firm conviction that the Congress must not take any precipitate action to alter our patent system." pp. 18577-81

UNITED STATES DEPARTMENT OF AGRICULTURE

Conference Report on the Department of Agriculture and Farm Credit Administration Appropriation Bill, 1963

/Note.--Amounts for 1962 include all supplemental appropriations to date, and are adjusted for comparability with the appropriation structure provided in the 1963 Conference Report./

Agency or Item	Appropriations : and Loan : Authorizations, : 1962	Budget : Estimate, : 1963	House : Bill, : 1963	Senate : Bill, : 1963	Conference : Report, : 1963
GENERAL ACTIVITIES:					
Agricultural Research Service:					
Salaries and expenses:					
Research <u>b/</u>	\$77,773,000:	\$79,612,000:	\$78,083,000:	\$106,126,500:	a/
Plant and animal disease and pest control					
Meat inspection	58,080,500:	59,052,500:	56,480,500:	59,180,500:	\$58,055,500
Salaries and expenses (special foreign currency program)	24,211,000:	25,241,000:	24,711,000:	25,211,000:	25,000,000
Cooperative State Experiment Station Service:					
Payments and expenses	5,265,000:	5,265,000:	5,265,000:	5,265,000:	5,265,000
Extension Service (Principally pay- ments to States)	36,207,000:	38,207,000:	38,207,000:	38,207,000:	38,207,000
Farmer Cooperative Service	70,804,500:	72,409,500:	72,149,500:	75,909,500:	75,344,500
Soil Conservation Service	657,000:	757,000:	657,000:	707,000:	682,000
Economic Research Service	178,548,000:	188,310,000:	187,865,000:	187,910,000:	188,540,500
Statistical Reporting Service	9,410,000:	10,440,000:	9,410,000:	9,910,000:	9,500,000
Agricultural Marketing Service:	8,758,000:	9,693,000:	9,518,000:	9,693,000:	9,693,000
Marketing research and service and payments to States					
Construction of facilities	39,594,500:	41,810,000:	40,182,000:	41,532,000:	41,219,500
Special milk program	- -	1,600,000:	- -	1,600,000:	a/
School lunch program	- -	105,000,000:	105,000,000:	105,000,000:	105,000,000
Foreign Agricultural Service:	c/ 125,000,000:c/	c/ 125,000,000:c/	c/ 125,000,000:c/	c/ 125,000,000:	c/ 125,000,000
Salaries and expenses	d/ 13,045,000:	21,841,000:d/	16,145,000:d/	16,895,000:	d/ 16,895,000
Salaries and expenses (Special foreign currency program)					
	2,856,000:	4,000,000:	4,000,000:	4,000,000:	4,000,000

(Continued on next page)

Agency or Item	Appropriations and Loan Authorizations, 1962	Budget Estimate, 1963	House Bill, 1963	Senate Bill, 1963	Conference Report, 1963
Commodity Exchange Authority	1,007,000:	1,022,000:	1,022,000:	1,022,000:	1,022,000
Agricultural Stabilization and Conservation Service:					
Expenses, Agricultural Stabiliza- tion and Conservation Service .	106,548,000:	104,735,000:	100,423,000:e/	95,423,000:	f/
Sugar Act program	75,650,000:	77,650,000:	77,650,000:	77,650,000:	77,650,000
Agricultural conservation programs	208,900,000:	215,400,000:	212,900,000:	212,900,000:	212,900,000
Emergency conservation measures .	5,000,000:	- -	- -	- -	- -
Conservation reserve program	299,500,000:	312,696,000:	290,125,000:	305,000,000:	300,000,000
Office of the General Counsel	3,645,000:	3,800,000:	3,645,000:	3,695,000:	3,695,000
Office of Information	1,590,500:	1,610,000:	1,610,000:	1,610,000:	1,610,000
Centennial Observance of Agriculture.	100,000:	- -	- -	- -	- -
National Agricultural Library	1,028,500:	1,220,000:	1,028,500:	1,153,500:	1,153,500
General Administration	3,096,000:	3,698,000:	3,506,000:	3,256,000:	3,341,000
Total, General Activities	1,356,274,500:	1,510,069,000:	1,464,582,500:	1,513,856,000:	
CREDIT AGENCIES:					
Rural Electrification Administration:					
Loan authorizations:					
Electrification h/	245,000,000:	400,000,000:	400,000,000:	400,000,000:	400,000,000
Telephone h/	162,500,000:	80,000,000:	80,000,000:	80,000,000:	80,000,000
Total, Loan authorizations	407,500,000:	480,000,000:	480,000,000:	480,000,000:	480,000,000
Salaries and expenses	10,024,000:	10,324,000:	10,024,000:	10,024,000:	10,024,000
Farmers Home Administration:					
Rural housing grants and loans	10,000,000:	10,000,000:	- -	- -	- -
Direct loan account:					
Real estate loans	51,000,000:	50,000,000:	50,000,000:	50,000,000:	50,000,000
Operating loans i/	285,000,000:	275,000,000:	275,000,000:	290,000,000:	290,000,000
Total, Loan authorizations	336,000,000:	325,000,000:	325,000,000:	340,000,000:	340,000,000
Salaries and expenses	34,382,000:	35,000,000:	34,382,000:	34,582,000:	34,582,000
Total, Credit agencies:					
Loan authorizations	734,500,000:	805,000,000:	805,000,000:	820,000,000:	820,000,000
Direct appropriation	54,406,000:	55,324,000:	44,406,000:	44,606,000:	44,606,000

(Continued on next page)

Agency or Item	Appropriations : and Loan : Authorizations, : 1962	Budget : Estimate, : 1963	House : Bill, : 1963	Senate : Bill, : 1963	Conference : Report : 1963
CORPORATIONS:					
Federal Crop Insurance Corporation:					
Administrative and operating expenses:					
Appropriation	6,549,000:	7,500,000:	6,549,000:	7,049,000:	6,799,000
Premium income	(2,830,000):	(2,830,000):	(3,330,000):	(2,830,000):	(3,080,000)
Commodity Credit Corporation:					
Reimbursement for net realized losses	1,017,610,000:	2,489,955,000:	2,278,455,000:	2,066,955,000:	a/
Reimbursement for special activities:	1,861,915,000:	--	--	--	--
Reimbursement for special milk program	90,000,000:	105,000,000:	105,000,000:	95,000,000:	95,000,000
Limitation on administrative expenses	(43,987,000):	(44,072,500):	(43,188,500):	(43,188,500):	(43,188,500)
Total, Commodity Credit Corporation	2,969,525,000:	2,594,955,000:	2,383,455,000:	2,161,955,000:	
Total, Corporations	2,976,074,000:	2,602,455,000:	2,390,004,000:	2,169,004,000:	
FOREIGN ASSISTANCE PROGRAMS:					
Public Law 480:					
Sales for foreign currencies	1,250,451,000:	1,293,000,000:	1,080,632,000:	700,000,000:	a/
Emergency famine relief	140,868,000:	364,000,000:	250,000,000:	189,000,000:	a/
Long-term supply contracts	13,000,000:	90,000,000:	40,000,000:	50,000,000:	a/
Total, Public Law 480	1,404,319,000:	1,747,000,000:	1,370,632,000:	939,000,000:	a/
International Wheat Agreement	70,681,000:	96,868,000:	81,218,000:	15,650,000:	a/
Bartered materials for supplemental stockpile	125,000,000:	343,067,000:	125,000,000:	92,867,000:	a/
Total, foreign assistance programs	1,600,000,000:	2,186,935,000:	1,576,850,000:	1,047,517,000:	a/

a/ Reported in disagreement.

b/ Item includes amounts for "Construction of Facilities" for comparability with the Senate Bill.

c/ In addition, it is provided that \$45 million shall be transferred from section 32 funds for purchase of agricultural commodities for distribution to schools.

d/ In addition, it is provided that \$3,117,000 shall be transferred from section 32 funds and merged with this appropriation.

- e/ In addition, Senate Bill provides that \$51,379,500 may be transferred to and merged with this appropriation from the CCC fund and an additional \$30,000,000 may be transferred upon enactment of the Food and Agriculture Act of 1962.
- f/ Reported in technical disagreement. The managers on the part of the House intend to offer a motion to recede and concur.
- g/ 1962 Appropriation Act, 1963 House Bill, 1963 Senate Bill, and 1963 Conference Report provide for advance authorization of \$250 million for the 1963 program; \$150 million was proposed in the 1963 Budget Estimates.
- h/ Includes reserve authorizations as follows: 1962, \$70 million electrification and \$30 million telephone; 1963 House Bill, Senate Bill and Conference report amounts include a \$100 million reserve for both electrification and telephone. 1963 Budget Estimates proposed no reserve. Including carryover funds and rescissions of prior year loans, electrification loans totaling \$261.4 million and telephone loans totaling \$91.6 million were made in fiscal year 1962.
- i/ Includes \$37.5 million reserve in the 1962 Appropriation Act and \$50 million in the 1963 Senate Bill. The 1963 Budget Estimates and the 1963 House Bill proposed no reserve. The conferees report the reserve authorization in disagreement.

DEPARTMENT OF AGRICULTURE AND RELATED AGEN-
CIES APPROPRIATIONS BILL, 1963

SEPTEMBER 17, 1962.—Ordered to be printed

Mr. WHITTEN, from the committee of conference, submitted the
following

CONFERENCE REPORT

[To accompany H.R. 12648]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 14, 23, 31, and 32.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 13, 17, 20, 21, 22, 24, 26, 27, 28, 30, 33, 34, 35, 36, 39, 41, 45, and 46, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$58,055,500; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$25,000,000; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$6,765,000; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,499,500; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$682,000; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$90,705,500; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$12,250,000; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$9,500,000; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$39,794,500; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment amended to read as follows: *That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of*

inquiries or supplying of information at the county level to individual farmers: Provided further, That no portion of the funds for the 1963 program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3 (III), 4 (IV), 5 (V) in United States Department of the Interior, Fish and Wildlife Service Circular 39, Wetlands of the United States, 1956: Provided further, ; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,341,000; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$6,799,000; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,080,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 4, 6, 19, 25, 38, 40, 44, 47, 48, 49, 50, 51, 52, 53, and 54.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,

Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

Amendment No. 1—*Salaries and expenses*: Reported in disagreement.

Amendment No. 2—*Research*: Reported in disagreement.

Amendment No. 3—*Plant and animal disease and pest control*: Appropriates \$58,055,500 instead of \$56,330,500 as proposed by the House and \$59,180,500 as proposed by the Senate. The increase over the House bill includes \$150,000 for inspection at ports of entry, \$1,250,000 for hog cholera eradication, \$50,000 for pesticide regulation, \$125,000 for sheep scabies eradication, and \$150,000 for modernization of Canadian border inspection stations. The conferees agree that any additional funds which might be needed for hog cholera eradication may be transferred from funds provided for gypsy moth control.

Amendment No. 4—*Plant and animal disease and pest control*: Reported in disagreement.

Amendment No. 5—*Meat inspection*: Appropriates \$25,000,000 instead of \$24,711,000 as proposed by the House and \$25,211,000 as proposed by the Senate.

Amendment No. 6—*Construction of facilities*: Reported in disagreement.

EXTENSION SERVICE

Amendments Nos. 7 and 8—*Payments to States and Puerto Rico*: Appropriate \$63,590,000 as proposed by the Senate instead of \$60,590,000 as proposed by the House.

Amendment No. 9—*Retirement costs for extension agents*: Appropriates \$6,765,000 instead of \$6,605,000 as proposed by the House and \$7,105,000 as proposed by the Senate.

Amendment No. 10—*Federal Extension Service*: Appropriates \$2,499,500 instead of \$2,464,500 as proposed by the House and \$2,724,500 as proposed by the Senate. The amount agreed to includes an additional \$35,000 for rural area development activities. The conferees direct that, if pending legislation (H.R. 12589 and S. 2998) is adopted, none of the additional funds provided thereby

shall be used by the Federal Extension Service during fiscal year 1963.

FARMER COOPERATIVE SERVICE

Amendment No. 11—*Salaries and expenses*: Appropriates \$682,000 instead of \$657,000 as proposed by the House and \$707,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

Amendments Nos. 12 and 13—*Conservation operations*: Appropriate \$90,705,500 instead of \$90,280,000 as proposed by the House and \$90,825,000 as proposed by the Senate and authorize the construction of a building at Americus, Ga. The increase over funds available for fiscal year 1962 includes \$500,000 for assistance to new soil conservation districts, \$400,000 for soil surveys, \$94,500 for snow survey work, and \$75,000 for plant material centers.

The bill includes \$60,585,000 for watershed protection, including \$5,200,000 for planning of individual watersheds and \$2,200,000 for river basin surveys.

Amendment No. 14—*Flood prevention*: Appropriates \$25,000,000 as proposed by the House instead of \$24,000,000 as proposed by the Senate.

Amendment No. 15—*Great Plains Conservation program*: Appropriates \$12,250,000 instead of \$12,000,000 as proposed by the House and \$12,500,000 as proposed by the Senate.

ECONOMIC RESEARCH SERVICE

Amendment No. 16—*Salaries and expenses*: Appropriates \$9,500,000 instead of \$9,410,000 as proposed by the House and \$9,910,000 as proposed by the Senate. With the funds provided, attention should be given to the studies on economics of farm size and numbers and domestic agricultural and outlook reporting as recommended by the Senate.

STATISTICAL REPORTING SERVICE

Amendment No. 17—*Salaries and expenses*: Appropriates \$9,693,000 as proposed by the Senate instead of \$9,518,000 as proposed by the House. This provides the full budget request of \$760,000 for extension of the long-range crop and livestock estimates program plus \$175,000 to initiate work on quarterly pig crop reports. The conferees direct that a review be made of the needs, priorities, and costs for additional estimates on crops and livestock, and that future program requirements be presented for consideration at next year's appropriation hearings.

AGRICULTURAL MARKETING SERVICE

Amendment No. 18—*Marketing research and service*: Appropriates \$39,794,500 instead of \$38,857,000 as proposed by the House and \$40,107,000 as proposed by the Senate. The amount agreed to provides additional funds for various activities, including a market study in Chicago, adequate poultry inspection, research on transportation of grain in larger boxcars and covered gondolas, and market news

services in Illinois, the Western States, Fargo, N. Dak., and Yuma, Ariz. The conferees direct that a special study be made by the Secretary as to the possibility of combining all meat inspection work under one service for consideration at next year's appropriation hearings.

Amendment No. 19—*Construction of facilities*: Reported in disagreement.

Amendment No. 20—*Payments to States and possessions*: Appropriates \$1,425,000 as proposed by the Senate instead of \$1,325,000 as proposed by the House. The additional amount should be available for worthy projects in all States which have matching funds available and any State or States previously designated or otherwise mentioned shall be treated on the same basis as others.

Amendment No. 21—*School lunch program*: Eliminates language proposed by the House which would make available extra commodity assistance to schools in needy areas. Legislation now pending in Congress should help to meet this need when finally enacted.

FOREIGN AGRICULTURAL SERVICE

Amendment No. 22—*Salaries and expenses*: Appropriates \$16,895,000 as proposed by the Senate instead of \$16,145,000 as proposed by the House.

Amendment No. 23—*Special foreign currency program*: Restores language proposed by the House and eliminates substitute language proposed by the Senate.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Amendment No. 24—*Acreage allotments and marketing quotas*: Eliminates language and appropriation proposed by the House. This and various other items under this Service are consolidated under a new appropriation created by amendment No. 25, below.

Amendment No. 25—*Expenses, Agricultural Stabilization and Conservation Service*: Reported in disagreement. The managers on the part of the House intend to offer a motion to recede and concur. This new appropriation combines the administrative and operating funds previously provided under the various appropriations carried under this Service.

Amendments Nos. 26 and 27—*Sugar Act program*: Appropriate \$77,650,000 as proposed by the Senate instead of \$80,000,000 as proposed by the House and eliminate language involving administrative expenses.

Amendments Nos. 28 through 31—*Agricultural conservation program*: Appropriate \$212,900,000 as proposed by the Senate instead of \$242,000,000 as proposed by the House and eliminate language involving administrative expenses. Language stricken by the Senate relative to information employees and drainage of wetlands has been restored.

Amendments Nos. 32 and 33—*Conservation reserve program*: Appropriate \$300,000,000 as proposed by the House instead of \$305,000,000 as proposed by the Senate and eliminate language involving administrative expenses.

Amendment No. 34—*Special agricultural conservation and adjustment program*: Eliminates language and appropriation proposed by the House. Funds for this purpose are provided under amendment No. 25, above.

OFFICE OF THE GENERAL COUNSEL

Amendment No. 35—*Salaries and expenses*: Appropriates \$3,695,000 as proposed by the Senate instead of \$3,645,000 as proposed by the House.

NATIONAL AGRICULTURAL LIBRARY

Amendment No. 36—*Salaries and expenses*: Appropriates \$1,153,500 as proposed by the Senate instead of \$1,028,500 as proposed by the House.

GENERAL ADMINISTRATION

Amendment No. 37—*Salaries and expenses*: Appropriates \$3,341,000 instead of \$3,506,000 as proposed by the House and \$3,256,000 as proposed by the Senate. The sum of \$85,000 is included for rural area development activities.

Amendment No. 38—*Salaries and expenses*: Reported in disagreement.

FARMERS HOME ADMINISTRATION

Amendment No. 39—*Direct loan account*: Authorizes \$290,000,000 for operating loans as proposed by the Senate instead of \$275,000,000 as proposed by the House.

Amendment No. 40—*Direct loan account*: Reported in disagreement.

Amendment No. 41—*Salaries and expenses*: Appropriates \$34,582,000 as proposed by the Senate instead of \$34,382,000 as proposed by the House.

FEDERAL CROP INSURANCE CORPORATION

Amendment No. 42—*Administrative and operating expenses*: Appropriates \$6,799,000 instead of \$6,549,000 as proposed by the House and \$7,049,000 as proposed by the Senate.

Amendment No. 43—*Federal Crop Insurance Corporation fund*: Authorizes \$3,080,000 instead of \$3,330,000 as proposed by the House and \$2,830,000 as proposed by the Senate.

COMMODITY CREDIT CORPORATION

Amendment No. 44—*Reimbursement for net realized losses*: Reported in disagreement.

Amendment No. 45—*Reimbursement for special milk program*: Appropriates \$95,000,000 as proposed by the Senate instead of \$105,000,000 as proposed by the House.

Amendment No. 46—*Limitation on administrative expenses*: Authorizes \$43,188,500 as proposed by the Senate instead of \$47,116,000 as proposed by the House. Funds eliminated are included under amendment No. 25, above.

FOREIGN ASSISTANCE PROGRAMS

Amendments Nos. 47, 48, 49, and 50—*Public Law 480*: Reported in disagreement.

Amendments Nos. 51 and 52—*International Wheat Agreement*: Reported in disagreement.

Amendments Nos. 53 and 54—*Bartered materials for supplemental stockpile*: Reported in disagreement.

SECTION 32 FUNDS

The conferees are in general agreement with the intent of the Senate report with reference to the use of section 32 funds, whereby the use of such funds will be justified by project and use each year and made subject to annual approval by the Congress.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,

Managers on the Part of the House.



House of Representatives

MONDAY, SEPTEMBER 17, 1962

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Philippians 4: 19: *My God shall supply all your need according to His riches in glory by Christ Jesus.*

Almighty God, Thou art here in this Chamber for Thou art everywhere, and always seeking to make our hearts the sanctuaries of Thy presence and Thy peace.

Cleanse us of everything that mars our loftiest aspirations and makes us unworthy of Thy blessings.

Inspire us to feel the urgency and pressure of Thy Holy Spirit, struggling to bring to fulfillment and fruition those nobler capacities and hidden splendors of our inner life.

May we give Thee the right-of-way and the place of preeminence in all the areas of our life, trusting ourselves to Thy keeping and guidance.

Help us daily to rise to new heights of endeavor and ever holding our own desires in abeyance until Thou dost declare Thy will.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, September 14, 1962, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 9914. An act for the relief of San-Man Inn of Manning, Inc.

The message also announced that the Senate had passed concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. Con. Res. 90. Concurrent resolution authorizing the printing for the use of the Joint Economic Committee of additional copies of its hearings entitled "State of the Economy and Policies for Full Employment."

S. Con. Res. 91. Concurrent resolution authorizing the printing of additional copies of the hearings on Department of Agriculture handling of pooled cotton allotments of Billie Sol Estes.

ROLLCALLS POSTPONED UNTIL WEDNESDAY, SEPTEMBER 19, 1962

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that any rollcalls except on rules and procedural matters in order today and tomorrow may be postponed until Wednesday, September 19.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. HARDY. Mr. Speaker, reserving the right to object, is the Reserve bill going to come up, and could we have a little explanation of what is going to be considered today. I waited until adjournment Friday night to find out whether there would be rollcalls. When we adjourned Friday it was clearly understood that rollcall votes would be in order today, so I had to change some plans and drive back from my district last night in order to be here. Now I would like to have an understanding as to what the program is going to be, if I may.

Mr. BOGGS. The Reserve bill scheduled for consideration today will not come up today. The other bills that appear on the whip's notice will come up.

Mr. HARDY. Let me make an observation in connection with that. If the Reserve bill had been taken off on Friday, we would have had a unanimous-consent approval on Friday for rollcalls to go over. I try to be cooperative and I shall not object, but it does seem that this kind of situation could be avoided and I think it most unfair. All of us try to be on the floor for recorded votes, and I know that many others, like me, have made special efforts to be here for rollcalls today because of the understanding when we adjourned last week. Let us be considerate of our colleagues who will be accommodated by permitting votes to go over, but I cannot help wishing there had been like consideration for others of us who canceled scheduled plans for today or, in a few cases, traveled practically all night last night only to find that the signals had been changed and record votes would be put off. I wish I could hope that in the future a way will be found to assure equal consideration for all Members.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963

Mr. WHITTEN submitted the following conference report and statement on the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 2381)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R.

12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 14, 23, 31, and 32.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 8, 13, 17, 20, 21, 22, 24, 26, 27, 28, 30, 33, 34, 35, 36, 39, 41, 45, and 46; and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$58,055,500"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$25,000,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$6,765,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,499,500"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$682,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$90,705,500"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$12,250,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$9,500,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$39,794,500"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows: "That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of the funds for the 1963 program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3 (III), 4 (IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Service Circular 39, Wetlands of the United States, 1956: *Provided further*,"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,341,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$6,799,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,080,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 4, 6, 19, 25, 38, 40, 44, 47, 48, 49, 50, 51, 52, 53, and 54.

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Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE Agricultural Research Service

Amendment No. 1—Salaries and expenses: Reported in disagreement.

Amendment No. 2—Research: Reported in disagreement.

Amendment No. 3—Plant and animal disease and pest control: Appropriates \$58,055,500 instead of \$56,330,500 as proposed by the House and \$59,180,500 as proposed by the Senate. The increase over the House bill includes \$150,000 for inspection at ports of entry, \$1,250,000 for hog cholera eradication, \$50,000 for pesticide regulation, \$125,000 for sheep scabies eradication and \$150,000 for

modernization of the Canadian border inspection stations. The conferees agree that any additional funds which might be needed for hog cholera eradication may be transferred from funds provided for gypsy moth control.

Amendment No. 4—Plant and animal disease and pest control: Reported in disagreement.

Amendment No. 5—Meat inspection: Appropriate \$25,000,000 instead of \$24,711,000 as proposed by the House and \$25,211,000 as proposed by the Senate.

Amendment No. 6—Construction of facilities: Reported in disagreement.

Extension Service

Amendments Nos. 7 and 8—Payments to States and Puerto Rico: Appropriate \$63,590,000 as proposed by the Senate instead of \$60,590,000 as proposed by the House.

Amendment No. 9—Retirement costs for extension agents: Appropriates \$6,765,000 instead of \$6,605,000 as proposed by the House and \$7,105,000 as proposed by the Senate.

Amendment No. 10—Federal Extension Service: Appropriates \$2,499,500 instead of \$2,464,500 as proposed by the House and \$2,724,500 as proposed by the Senate. The amount agreed to includes an additional \$35,000 for rural area development activities. The conferees direct that, if pending legislation (H.R. 12589 and S. 2998) is adopted, none of the additional funds provided thereby shall be used by the Federal Extension Service during fiscal year 1963.

Farmer Cooperative Service

Amendment No. 11—Salaries and expenses: Appropriates \$682,000 instead of \$657,000 as proposed by the House and \$707,000 as proposed by the Senate.

Soil Conservation Service

Amendments Nos. 12 and 13—Conservation operations: Appropriate \$90,705,500 instead of \$90,280,000 as proposed by the House and \$90,825,000 as proposed by the Senate and authorize the construction of a building at Americus, Ga. The increase over funds available for fiscal year 1962 includes \$500,000 for assistance to new soil conservation districts, \$400,000 for soil surveys, \$94,500 for snow survey work, and \$75,000 for plant material centers.

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Amendment No. 15—Great Plains Conservation program: Appropriates \$12,250,000 instead of \$12,000,000 as proposed by the House and \$12,500,000 as proposed by the Senate.

Economics Research Service

Amendment No. 16—Salaries and expenses: Appropriates \$9,500,000 instead of \$9,410,000 as proposed by the House and \$9,910,000 as proposed by the Senate. With the funds provided, attention should be given to the studies on economics of farm size and numbers and domestic agricultural and outlook reporting as recommended by the Senate.

Statistical Reporting Service

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Amendment No. 24—Acreage allotments and marketing quotas: Eliminates language and appropriation proposed by the House. This and various other items under this Service are consolidated under a new appropriation created by Amendment No. 25, below.

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Office of the General Counsel

Amendment No. 35—Salaries and expenses: Appropriates \$3,695,000 as proposed by the Senate instead of \$3,645,000 as proposed by the House.

National Agricultural Library

Amendment No. 36—Salaries and expenses: Appropriates \$1,153,500 as proposed by the Senate instead of \$1,028,500 as proposed by the House.

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Federal Crop Insurance Corporation

Amendment No. 42—Administrative and operating expenses: Appropriates \$6,799,000 instead of \$6,549,000 as proposed by the House and \$7,049,000 as proposed by the Senate.

Amendment No. 43—Federal Crop Insurance Corporation fund: Authorizes \$3,080,000 instead of \$3,330,000 as proposed by the House and \$2,830,000 as proposed by the Senate.

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Foreign assistance programs

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Section 32 Funds

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CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

PRINCE GEORGES COUNTY SCHOOL BOARD, MARYLAND

The Clerk called the bill (H.R. 6759) for the relief of the Prince Georges County School Board, Maryland.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

WAIVING CERTAIN TIME LIMITATIONS FOR RESERVISTS

The Clerk called the bill (H.R. 9962) to amend title 38, United States Code, to provide an extension of the period within which certain educational programs must be begun and completed in the case of persons called to active duty during the Berlin crisis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1613 of title 38, United States Code, is amended by adding at the end thereof the following: "In computing the three-year periods prescribed in section 1612(a) of this title, and the eight- and five-year periods prescribed in this section, the Administrator shall disregard all periods during which the veteran served on active duty pursuant to a call or order thereto issued to him as a Reserve after July 30, 1961, and before January 1, 1962, or (B) an extension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 87-117."

SEC. 2. (a) Section 1712(a) of title 38, United States Code, is amended by redesignating paragraph (4) as paragraph (5), and by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) if the death of the parent from whom eligibility is derived occurs after the eligible person's eighteenth birthday but before his twenty-third birthday, then (unless paragraph (4) applies) such period shall end five years after the death of such parent;

"(4) if he serves on duty with the Armed Forces as an eligible person after his eighteenth birthday but before his twenty-third birthday then such period shall end five years after his first discharge or release from such duty with the Armed Forces (excluding from such five years all periods during which the eligible person served on active duty pursuant to (A) a call or order thereto issued to him as a Reserve after July 30, 1961, and before January 1, 1962, or (B) an extension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 87-117); however, in no event shall such period be extended beyond his thirty-first birthday by reason of this paragraph; and"

(b) Section 2 of Public Law 86-236, and section 5 of Public Law 86-785, are each amended by inserting "(a)" immediately before "In the case of", and by adding at the end thereof the following:

"(b) In computing the five-year period prescribed in subsection (a), the Administrator of Veterans' Affairs shall disregard all periods of active duty performed by such individual pursuant to a call or order thereto issued after July 30, 1961, and before January 1, 1962, or pursuant to an extension of

an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 86-117."

SEC. 3. Paragraph (26) of section 101 of title 38, United States Code, is amended (1) by striking out "Reserves" and inserting in lieu thereof "Reserve", and (2) by striking out "members" and inserting in lieu thereof "a member".

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 1613 of title 38, United States Code, is amended by inserting '(a)' immediately before 'No', and by adding at the end thereof the following new subsection:

"(b) In computing the three-year period referred to in section 1612(a) of this title and the eight- and five-year periods referred to in subsection (a) of this section, the Administrator shall disregard in the case of any eligible veteran any period of active duty performed by such veteran, before August 1, 1962, pursuant to (1) a call or order thereto issued to him as a Reserve after July 30, 1961, or (2) an extension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 87-117."

"SEC. 2. (a) Section 1712(a) of title 38, United States Code, is amended by redesignating paragraph (4) as paragraph (5), and by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) if the death of the parent from whom eligibility is derived occurs after the eligible person's eighteenth birthday but before his twenty-third birthday, then (unless paragraph (4) applies) such period shall end five years after the death of such parent;

"(4) if he serves on duty with the Armed Forces as an eligible person after his eighteenth birthday but before his twenty-third birthday, then such period shall end five years after his first discharge or release from such duty with the Armed Forces (excluding from such five years all periods during which the eligible person served on active duty before August 1, 1962, pursuant to (A) a call or order thereto issued to him as a Reserve after July 30, 1961, or (B) an extension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 87-117); however, in no event shall such period be extended beyond his thirty-first birthday by reason of this paragraph; and"

"(b) Section 2 of Public Law 86-236, and section 5 of Public Law 86-785, are each amended by inserting '(a)' immediately before 'In the case of', and by adding at the end thereof the following:

"(b) In computing the five-year period prescribed in subsection (a), the Administrator of Veterans' Affairs shall disregard all periods of active duty performed by such individual before August 1, 1962, pursuant to a call or order thereto issued to him as a Reserve after July 30, 1961, or pursuant to an extension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 86-117."

"SEC. 3. Paragraph (26) of section 101 of title 38, United States Code, is amended (1) by striking out 'Reserves' and inserting in lieu thereof 'Reserve'; and (2) by striking out 'members' and inserting in lieu thereof 'a member'."

Mr. TEAGUE of Texas. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment offered by Mr. TEAGUE of Texas: On page 5, after line 23, insert the following:

"Sec. 4. Section 624(b) of title 38, United States Code, is amended by striking out 'temporarily'."

"Sec. 5. Section 230 of title 38, United States Code, is amended by adding at the end thereof the following:

"(c) The Administrator is authorized to establish and maintain an office in Europe, at such location as he deems appropriate, to render technical advice and assistance in the administration of veterans' programs in that area."

"Sec. 6. (a) The text of section 235 of title 38, United States Code, is amended by inserting 'or to the Veterans' Administration office established in Europe pursuant to section 230(c) of this title' immediately after 'Republic of the Philippines' both places it appears.

"(b) The catchline of section 235 of title 38, United States Code, and item 235 of the analysis of chapter 3 of title 38, United States Code, are each amended by striking out 'in the Republic of the Philippines' and inserting in lieu thereof 'at oversea offices'."

Mr. TEAGUE of Texas. Mr. Speaker, the amendment which I have offered to the committee amendment simply adds to the bill the substance of H.R. 9561 which passed the House on the call of the Consent Calendar on May 7. I am taking this action to overcome a parliamentary situation in the other body and I have been advised that there is every likelihood that if the House passes the bill in this form the Senate will concur in the amendment.

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar bill, S. 2697, to waive certain time limitations prescribed in chapters 33 and 35 of title 38, United States Code, in the case of certain veterans and eligible persons ordered to active duty with the Armed Forces, or whose period of duty with the Armed Forces was involuntarily extended, on or after August 1, 1961.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1613 of title 38, United States Code, is amended—

(1) by inserting "(a)" immediately before "No";

(2) by inserting "except as provided in subsection (b) of this section," immediately before the words "in no event"; and

(3) by adding at the end thereof the following new subsection:

"(b) In computing the three-year period referred to in section 1612(a) of this title and the eight- and five-year periods referred to in subsection (a) of this section, the Administrator shall disregard in the case of any eligible veteran any period of duty performed

by such veteran pursuant to (1) a call or order to active duty as a Reserve on or after August 1, 1961, or (2) an involuntary extension of an enlistment, appointment, period of active duty, period of active duty for training, or other period of obligated service in any branch of the Armed Forces after August 1, 1961."

Sec. 2. Section 1712 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) In computing the five-year period following duty with the Armed Forces referred to in paragraph (3) of subsection (a) of this section the Administrator shall disregard any period of duty performed by an eligible person pursuant to (1) a call or order to active duty as a Reserve on or after August 1, 1961, or (2) an involuntary extension of an enlistment, appointment, period of active duty, period of active duty for training, or other period of obligated service in any branch of the Armed Forces after August 1, 1961."

Sec. 3. Section 2 of Public Law 86-236, and section 5 of Public Law 86-785, are each amended by inserting "(a)" immediately before "In the case of", and by adding at the end thereof a new subsection as follows:

"(b) In computing the five-year period prescribed in subsection (a), the Administrator of Veterans' Affairs shall disregard in the case of any eligible person any period of duty performed by such person pursuant to (1) a call or order to active duty as a Reserve on or after August 1, 1961 or (2) an involuntary extension of an enlistment, appointment, period of active duty, period of active duty for training, or other period of obligated service in any branch of the Armed Forces on or after August 1, 1961."

Mr. TEAGUE of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TEAGUE of Texas: Strike out all after the enacting clause and insert the provisions of H.R. 9962 as passed by the House.

The SPEAKER pro tempore. The question is on the amendment of the gentleman from Texas [Mr. TEAGUE].

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to amend title 38, United States Code, to provide an extension of the period within which certain educational programs must be begun and completed in the case of persons called to active duty during the Berlin crisis, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 9962) was laid on the table.

(Mr. TEAGUE of Texas asked and was given permission to revise and extend his remarks and to include certain tabular material.)

Mr. TEAGUE of Texas. Mr. Speaker, H.R. 9962, as reported unanimously by the Committee on Veterans' Affairs on August 2, deals entirely with the education and training being taken by individuals under the Korean GI bill of rights and the War Orphans' Educational Assistance Act. It concerns only those reservists and National Guardsmen who were recalled to active duty as

a result of the Berlin crisis. The basic law provides for veterans that a course of education must be initiated within 3 years from the date of discharge and completed within 8. A similar 5-year period is applicable to war orphans. The present legislation would provide, in effect, a 1-year extension for those reservists and National Guardsmen who were called to service in the Berlin crisis after July 30, 1961, and prior to August 1, 1962. It is identical in purpose to the language contained in S. 2697 as passed by the Senate and the changes in this part are purely technical in nature and suggested by the Veterans' Administration. The total cost for the length of the program, the Veterans' Administration estimates, will not exceed \$75,000. It is favored by the Veterans' Administration.

The amendment to the committee amendment embodies the substance of H.R. 9561 which passed the House on May 7, 1962, and had two main purposes: First, to provide hospital and medical care for service-connected veterans who are residing abroad, either permanently or temporarily; and, second, to provide authority for the Veterans' Administration to operate an office in Europe to administer the compensation, pension, and other programs.

The existing authority permits such care and treatment only to such veterans who are residing abroad on a temporary basis. The Veterans' Administration favors the enactment of this legislation and advised as of last June there were 4,398 veterans living abroad exclusive of the Philippines who are receiving compensation for service-connected disabilities. During fiscal year 1961, medical services were furnished approximately 2,653 veterans who are abroad on a temporary basis at a total cost of \$68,964, or an average annual expenditure of \$26 per veteran. Assuming that the total number of service-connected veterans on the rolls would be permanent residents and that their numbers would remain unchanged and receive medical care, the annual cost as a result of this section would be approximately \$114,000.

The second portion of my amendment which was section 2 of H.R. 9561 as passed by the House on May 7, 1962, authorized the Veterans' Administration to establish offices in Europe for the administration of the compensation, pension, education and training, and miscellaneous benefits over which this agency has jurisdiction. During fiscal year 1961, this amounted to approximately \$18 million and covered all of the countries in Europe and in October 1961, as an example, resulted in a disbursement of payments approximately \$1,377,000. This program is presently administered through attachés for veterans affairs located in Frankfurt, Germany; London, England; Paris, France; and Rome, Italy. These four offices total 23 local employees and 6 veterans affairs officers serving as attachés or officers with rank in the Foreign Service officers

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\$50 million for a new program of direct loans to private nonprofit corporations and consumer cooperatives to build moderate-cost rental housing for the elderly, a new Farmers Home Administration insurance program to provide rental housing for the elderly in rural areas, and an increase in the rural grant ceiling from \$500 to \$1,000 for home improvements by owner-occupants whose incomes are so low they cannot qualify for loans from any source.

Sen. Williams, N. J., and Humphrey expressed their pleasure over passage of this bill. pp. 18737-8

3. FORESTRY. Sen. Stennis inserted an item by Sen. Anderson reviewing and commending a new book, "Whose Woods These Are: The Story of the National Forests." p. 18739
4. BUILDINGS. The "Daily Digest" states that the Public Works Committee approved various public buildings projects, including alterations to the South Building of this Department. p. D858
5. WILDLIFE. S. 2138, to provide that a greater percentage of the income from lands administered by the Fish and Wildlife Service be returned to the counties in which such lands are situated, which had been the Senate's unfinished business, was returned to the calendar. p. 18642
6. WATERSHEDS. Received from the Bureau of the Budget plans for works of improvement on Crooked Bayou watershed, Ark., West Fork of Pond River, Ky., Hardin Creek, Tenn., and Mill Creek, Tenn.; to Agriculture and Forestry Committee. p. 18642
Received from the Budget Bureau plans for works of improvement on Tobesofkee watershed, Ga. (supplemental), Cottonwood Creek, Okla., and Delaware Creek, Okla.; to Public Works Committee. p. 18642
7. STOCKPILE. The Armed Services Committee reported without amendment H. R. 12416, to authorize the sale, without regard to the 6-month waiting period prescribed, of chestnut extract (S. Rept. No. 2061); and H. Con. Res. 509, expressing approval of the Congress for the disposition of certain materials from the national stockpile (S. Rept. 2062). p. 18642
8. TRADEMARKS. The Judiciary Committee reported without amendment H. R. 4333, to amend the Trademark Act so as to clarify certain ambiguities relating to the registration and protection of trademarks. (S. Rept. No. 2107). p. 18642
9. OILS; TAXATION. The Finance Committee reported with amendments H. R. 5260, to make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm kernel oil, and fatty acids, and combination of mixtures thereof (S. Rept. No. 2102). p. 18643
10. ATOMIC ENERGY. Agreed to the conference report on H. R. 11974, the AEC authorization bill. This bill will now be sent to the President. pp. 18656-7
11. TOWNSITE LAWS. Passed with amendment H. R. 11266, to extend to Alaska the provisions governing the disposition of public lands under the townsite laws so as to permit tracts of land in Alaska to be sold subject to a reservation of the U. S. of coal, oil, and gas. Earlier had vacated action of Sept. 17 in passage of S. 3160. S. 3160 was indefinitely postponed due to passage of H. R. 11266. p. 18667

HOUSE

12. AGRICULTURAL APPROPRIATION BILL, 1963. Began consideration of the conference report on this bill, H. R. 12648. pp. 18596-606

Insisted on disagreement with the following Senate amendments:

No. 1, deleting provision for acquisition of sites by ARS by donation, exchange, or purchase at a nominal cost not to exceed \$100. p. 18601

No. 2, providing \$106,126,500 for ARS for research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services. p. 18601

No. 6, to delete provision of \$760,000 for ARS for construction of facilities and acquisition of the necessary land therefor by purchase, donation or exchange. p. 18602

No. 44, reducing from \$2,278,455,000 to \$2,066,955,000 the appropriation to partially reimburse the CCC for net realized losses sustained during fiscal year 1961. p. 18606

No. 47, to provide funds under P. L. 480 for unrecovered prior years' costs including interest thereon. p. 18606

No. 48, to reduce from \$1,080,632,000 to \$700,000,000 for expenses for the sale of surplus agricultural commodities for foreign currencies pursuant to title I of P. L. 480. p. 18606

No. 49, to reduce from \$250,000,000 to \$189,000,000 for expenses for commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of P. L. 480. p. 18606

No. 50, to increase from \$40,000,000 to \$50,000,000 for expenses for long term supply contracts pursuant to title IV of P. L. 480. p. 18606

No. 51 and No. 52, to provide \$15,650,000 for unrecovered prior years' costs, including interest thereon, under the International Wheat Agreement, and deleting \$81,218,000 for expenses during fiscal year 1963 under the Act. p. 18606

No. 53 and No. 54, to provide \$92,867,000 for unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile, and deleting \$125,000,000 for expenses during fiscal year 1963. p. 18606

Concurred in the following amendments:

No. 4, to provide that \$150,000 shall be available to ARS for the construction and equipping of facilities and acquisition of the necessary land therefor by purchase, donation, or exchange: Provided further, That no funds shall be used to formulate or administer a brucellosis eradication program for fiscal year 1964 that does not require minimum matching by any State of at least 40 percentum.

No. 25, to provide \$95,423,000 for administrative expenses for ASCS, provided that in addition, not to exceed \$51,379,500 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund, and additional amounts not to exceed \$30,000,000 may be transferred contingent upon the enactment of H. R. 12391, Food and Agriculture Act of 1962. p. 18606

No. 38, to provide that not to exceed \$225,000 shall be transferred by the Secretary from other appropriations available to the Department of Agriculture for the expenses of the Office of Internal Audit and Inspection. p. 18606

No. 40, to provide that \$50,000,000 of the appropriation for operating loans for FHA shall be placed in reserve to be used only to the extent required during the fiscal year 1963 under the then existing conditions for the

expeditious and orderly conduct of the loan program. p. 18606

Began debate on amendment No. 19, to provide \$1,600,000 for AMS for construction of facilities and acquisition of the necessary land therefor, as authorized by law, to remain available until expended. pp. 18602-6

13. INDEPENDENT OFFICES APPROPRIATION BILL, 1963. Agreed to the conference report on this bill, H. R. 12711, but insisted on disagreement to several of the Senate amendments. pp. 18591-5
14. LEGISLATIVE BRANCH APPROPRIATION BILL, 1963. Began debate on the conference report on this bill, H. R. 11151. Action on one Senate amendment in disagreement was deferred. pp. 18606-10
15. FOREIGN AID APPROPRIATION BILL, 1963. The Appropriations Committee reported this bill, H. R. 13175 (H. Rept. 2410). p. 18639
16. LOANS; FHA. Passed as reported H. R. 12653, to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase from \$150 million to \$200 million annually the amount of loans which may be insured under such Act. pp. 18611-2
Rep. Curtis, Mo., criticized the House procedures under which this bill failed to pass on Sept. 17. pp. 18595-6
17. WETLANDS. Concurred in the Senate amendments to H. R. 8520, to amend the Soil Conservation and Domestic Allotment Act, as amended, to add a new subsection to Sec. 16 to limit financial and technical assistance for drainage of certain wetlands. This bill will now be sent to the President. pp. 18590-1
18. TOBACCO. Passed as reported H. R. 12855, to amend provisions of the Agricultural Adjustment Act of 1938 providing for the lease and transfer of tobacco acreage allotments so as to exclude cigar-filler and cigar-binder tobacco, types 42,43,44,53,54 and 55 from the lease and transfer authority. pp. 18612-3
19. COOPERATION. Began debate on S. 3475, to authorize the Secretary of Agriculture to cooperate with States in administration and enforcement of certain Federal laws relating to the marketing of agricultural products and to the eradication or control of plant and animal disease and pests. (p. 18622). A similar bill, H. R. 12802, was passed without amendment earlier (pp. 18613-4).
20. PARKS. Began and concluded debate on S. 2429, to revise the boundaries of the Virgin Islands National Park, St. John, V.I. pp. 18615-22
21. PERISHABLE COMMODITIES. Received the conference report on S. 1037, to amend the Perishable Agricultural Commodities Act regarding fees, oral hearings, and relicensing (H. Rept. 2408). pp. 18622-3, 18639
22. TARIFFS. Received the conference report on H. R. 6682, to provide for the exemption of fowling nets from duty (H. Rept. 2412). pp. 18623-4, 18639
23. PERSONNEL. Received the conference report on H. R. 12180, to extend for a temporary period the existing provisions of the law relating to the free importation of personal and household effects brought into the U. S. under Government orders (H. Rept. 2413). pp. 18624, 18639
The Post Office and Civil Service Committee reported without amendment S. Con Res. 53, favoring travel by Federal employees on U.S. flag carriers (H. Rept. 2407). p. 18639

24. RECLAMATION. Rep. Olsen discussed the "60th anniversary of the Bureau of Reclamation, pioneering Federal public works agency which is still playing a prominent role in water resource development in Montana and elsewhere in the West," including its relationship with REA cooperatives. pp. 18636-8
25. MERCHANT MARINE AND FISHERIES COMMITTEE. The "Daily Digest" states that the Subcommittee on Fisheries and Wildlife Conservation of the Merchant Marine and Fisheries Committee "met in executive session and ordered reported favorably to the full committee H. R. 9547, regarding importation of salmon for sale within the U.S.; H. R. 11343 (amended), regarding the initiation of a salmon and steelhead development program in California; S. 3504 (amended), regarding representation of secretarial officers on the Migratory Bird Conservation Commission; and S. 3431, to consent to the amendment of the Pacific Marine Fisheries Compact. Passed over H. R. 10714, to provide for the distribution of the total net income from wildlife refuges administered by the U.S. Fish and Wildlife Service of the Department of the Interior." p. D860
26. AGRICULTURAL APPROPRIATION BILL, 1963. Attached to this Digest are additional notes relating to the tables in Digest 167 summarizing the action of the conferees on this bill, H. R. 12648. These notes were inadvertently omitted and should be attached to Digest 167 as page 12.

ITEMS IN APPENDIX

27. FARM PROGRAM. Extension of remarks of Sen. Hartke inserting an address by Claude R. Wickard, "Knowledge: The Key to a Century of Agricultural Progress." pp. A6890-2
Extension of remarks of Rep. May inserting reports by international farm youth delegates in Germany and Poland describing conditions on farms in those countries. pp. A6900, A6907-8
28. ELECTRIFICATION. Extension of remarks of Sen. Wiley inserting an article, "America's Power System," comparing production of electrical power in the United States and the Soviet Union. p. A6893
29. HOLIDAY. Extension of remarks of Rep. Grean inserting an editor's letter protesting the proposed designation of Sept. 17 as a legal holiday. pp. A6899-900
30. MILK. Extension of remarks of Rep. Quie inserting an article suggesting a possible solution to some of the problems of the dairy industry, including an increase in advertising efforts. p. A6903

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COMMITTEE HEARINGS SEPT. 19:

Additional research facilities for experiment stations, S. Agriculture.
Federal pay bill, S. Civil Service (exec).
Watershed projects, H. Agriculture (exec).
Promotion of trade through mobile trade fairs, H. Merchant Marine and Fisheries (exec).

ture of funds for acquisition, extension or conversion, or construction without the approval of the Committees on Appropriations of the Senate and House of Representatives."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 96: On page 31, line 16, insert "Expenditures heretofore made pursuant to contract or stipulation from, and unexpended obligations heretofore incurred against, appropriations under the heading 'Construction, Public Buildings Projects' in prior Appropriation Acts for the purposes specified in the preceding paragraph are hereby ratified."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 96 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "Expenditures heretofore made pursuant to contract or stipulation from, and unexpended obligations heretofore incurred against, appropriations under the heading 'Construction, Public Buildings Projects' in prior Appropriation Acts for the purpose of acquisition of buildings and sites thereof by purchase, condemnation, or otherwise, including prepayment of purchase contracts, are hereby ratified."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 109: Page 42, line 23, insert "not to exceed \$1,000 for official reception and representation expenses; reimbursement of the Department of the Army for the services of the officer assigned to the Veterans Administration to serve as Assistant Deputy Administrator;".

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 109 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 113: Page 52, line 3, insert: *Provided further*, That not to exceed \$1,000 shall be available for official reception and representation expenses;".

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 113 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 116: page 55, line 17, insert:

"LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES, OFFICE OF THE ADMINISTRATOR, HOUSING FOR THE ELDERLY

"Not to exceed \$850,000 of funds in revolving fund established pursuant to section 202

of the Housing Act of 1959, as amended (12 U.S.C. 1701q et seq.), shall be available for administrative and nonadministrative expenses, but this amount shall be exclusive of payment for services and facilities of the Federal National Mortgage Association, the Federal Reserve banks or any member thereof, the Federal home-loan banks and any insured bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, as amended (12 U.S.C. 264)) which has been designated by the Secretary of the Treasury as a depository of public money of the United States."

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 116 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "\$725,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 119: Page 61, line 4, insert "(except for fallout shelters resulting from minor modifications to design, construction, or building equipment, at a cost not to exceed \$5,000 in any one facility, which provides fallout shelter space primarily serving the normal peacetime purposes of the facility)".

Mr. THOMAS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMAS moves that the House insist upon its disagreement to the amendment of the Senate numbered 119.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CORRECTION OF THE RECORD

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to correct the RECORD. If I may proceed for a minute, it requires a little explanation. On page 18561 of yesterday's RECORD, in the middle column, the gentleman from Mississippi [Mr. WILLIAMS] withdrew his reservation of objection. At that point I had asked permission to ask some questions, which permission was granted. The whole colloquy is missing. It is difficult to correct the RECORD under these circumstances but I suggest that it be done this way. I propounded certain questions. One was: Had this item been budgeted? The answer was: It was cleared by the Bureau of the Budget.

I stated I was asking whether it had been budgeted in 1963.

The third question was, What was the budget aspect, if any?

Mr. Speaker, I am asking unanimous consent to correct the RECORD to insert my three questions:

First. Has this item been budgeted?

Second. What effect has it on the budget for 1963?

Third. What are the budget aspects of this item, if any?

And if it is to remain "No answer" to each, that is all right.

Mr. Speaker, I ask unanimous consent that the RECORD be corrected as indicated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, may I say this further? This makes a difference because later I made the point or order that a quorum was not present and also made further remarks that the reason I was doing so was that I did not like the procedure that was going on. Without the preceding remarks, it would make my subsequent remarks not as meaningful.

Mr. Speaker, I ask unanimous consent at this time to extend my remarks at this point in the RECORD discussing procedures.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOUSE PROCEDURES

Mr. CURTIS of Missouri. Mr. Speaker, I think it is very disturbing to Members to have important bills coming onto the floor of the House under unanimous-consent requests and by suspension of the rules which do not permit orderly or full explanation, discussion and debate, particularly when it is obvious that many of these bills have been considered by the committees to which they have been referred in some instances months ago and that the House has had a remarkably light load for Committee of the Whole action under properly considered and adopted rules.

The bill which created this ruckus, H.R. 12653, raised the amount that could be borrowed under the Farmers Home Administration from \$150 million to \$200 million. The original bill was to increase the amount to \$300 million. Now I think the people of this country are enough interested in \$50 million to know a little more about it than the bald statement by a few Congressmen, however well intentioned, that they thought that it would be well applied. I also think the people would be interested in the policy decision that caused these few Congressmen to make the figure \$50 million and not \$150 million as the original author of the bill proposed.

The gentleman from Iowa, Congressman Gross, pointed out that there were no committee reports available on this bill and others Saturday. I might point out that the committee report on this bill just became available this morning.

Perhaps this bill does not justify a rule and the 40 minutes of discussion or debate provided for under the procedure of suspending the rules would be adequate. However, the bill was attempted to be passed by unanimous consent which provides for no orderly method of discussion or debate. The simple budgetary questions I had begun to ask received no intelligible answers.

Other matters which required full debate have been placed upon the Suspension of the Rules Calendar, bills

on which rules could have been obtained weeks and even months ago if the proponents had been concerned that the matters receive fair consideration and debate. I refer specifically to H.R. 12082, to amend the Internal Security Act of 1950 by adding title IV establishing a legislative base for personnel security procedures in the National Security Agency, and H.R. 11636, to amend the Internal Security Act of 1950 to provide for the protection of classified information released to or within U.S. industry and for other purposes.

Both of these bills involve important and serious principles long established in our society. Both bills relate to serious security problems in our society. From the debate as it appears in the RECORD under extension of remarks not as it appeared in the well of the House, in the 40 minutes of time allotted, it becomes obvious why there needed to be the much greater opportunity for discussion and rebuttal that a rule provides.

I think it is important for all of us when we are acting in our capacity as members of a committee to realize that we are servants of the rest of the Members of the House to expound and develop the facts and arguments surrounding an issue with only recommendations for action, not in effect to make the decisions for the rest of the Members of the House. I find a growing inclination on the part of House committees and my own committee, Ways and Means, is not the least of the offenders, to try to make the decision for the rest of the House rather to expound the issues so the House can make its decision with intelligence. Limited debate, such as I am objecting to here, is one of the most effective ways for a committee to impose its decision in lieu of the decision of the House.

The use of the suspension of the rules is, of course, within the discretion of the Speaker, but how he exercises that discretion with the approval of the majority party which he heads becomes a matter of proper public concern. Certainly an indiscriminate use of unanimous-consent procedures and suspension of the rules can badly damage the orderly procedures of the House and render the Members incapable of explaining with intelligence to their constituents what the issues were in the measures passed by the House.

I was happy to learn that the proposal to grant the President standby authority to call up 150,000 Reserves was removed from the suspension list and that a rule will be sought so the House can consider this most important and serious matter in a full and orderly fashion. I am hopeful that the resolution in respect to our policy toward Cuba will likewise be removed from the suspension list and presented to the House under a rule which will provide full and orderly discussion and debate.

It disturbs me greatly that the majority leadership should ever have contemplated putting such serious matters on the Suspension Calendar. I am certain that the rules of the House never intended that the procedure of suspending the rules would be used in such a

fashion. Perhaps it would be well to amend the rules to limit the type of matters that may be placed upon the Suspension Calendar, so that there may be no misunderstanding.

CALL OF THE HOUSE

Mr. ASHBROOK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 223]

Abbott	Ford	Morgan
Adair	Fulton	Morse
Addabbo	Gallagher	Moulder
Andersen,	Garmatz	Multer
Minn.	Gavin	Nedzi
Anfuso	Gibert	Nix
Ashley	Glenn	Norrell
Ayres	Goodell	O'Brien, Ill.
Bailey	Goodling	O'Hara, Mich.
Baring	Green, Pa.	O'Neill
Barrett	Hall	Patman
Bass, N.H.	Halpern	Peterson
Bates	Hansen	Pfost
Belcher	Harding	Philbin
Blitch	Harris	Pike
Bolton	Harrison, Va.	Pilcher
Bow	Harvey, Mich.	Powell
Boykin	Hays	Pucinski
Bradenas	Healey	Riley
Brewster	Hébert	Rivers, Alaska
Brucé	Herlong	Rivers, S.C.
Buckley	Hiestand	Rodino
Burke, Ky.	Hoffman, Ill.	Rogers, Tex.
Burke, Mass.	Hoffman, Mich.	Rostenkowski
Byrnes, Wis.	Holifield	Rousselot
Cahill	Hull	St. George
Carey	Jarman	St. Germain
Celcer	Jennings	Santangelo
Cook	Johnson, Md.	Saund
Cooley	Judd	Scranton
Cunningham	Kearns	Seely-Brown
Curtis, Mass.	Kee	Selden
Davis,	Keith	Shelley
James C.	Kelly	Sibal
Dawson	Kilburn	Sikes
Delaney	Kirwan	Spence
Derwinski	Lane	Stratton
Diggs	Lankford	Thompson, La.
Dominick	Lindsay	Thompson, N.J.
Donohue	McCulloch	Tuck
Dooley	McDonough	Udall
Doyle	McSweeney	Van Zandt
Dwyer	McVey	Vinson
Edmondson	Macdonald	Wallhauser
Elliott	Martin, Mass.	Weaver
Ellsworth	Martin, Nebr.	Weis
Fallon	Mason	Whalley
Farbstein	Meador	Wickersham
Findley	Merrow	Yates
Finnegan	Moeller	Zelenko
Fino	Moorehead,	
Fisher	Ohio	

The SPEAKER pro tempore. On this rollcall 284 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill. The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 17, 1962.)

Mr. WHITTEN. Mr. Speaker, the managers on the part of the House find themselves in the unusual position of having to come back to the House for further instructions, requesting the support of the House on the position taken by them.

Mr. Speaker, the Department of Agriculture appropriation bill in years past has been controversial. In recent years, we on the House side have tried our best to work out what we thought was a sound approach, not only to the basic problem facing our Nation—and that is the supply of food, clothing, and shelter—but also to meet the various and sundry problems which face individual Members and the individual sections of the United States.

When this bill was before our committee this year, recognizing many of the problems that we faced, your committee reduced the budget request by some \$800 million. We admitted that we did not know how much of a saving that would be in the future. But we very carefully provided funds sufficient to run the price support program and the Department of Agriculture for the full fiscal year.

We had many requests for additional attention to research problems in the United States. And may I say candidly that this matter of constantly staying ahead of disease and pestilence and keeping these things from being brought in from overseas, and getting new strains so that we would have new seed available when the ones we had fall by the wayside, is a continuing problem. In fact, your Department of Agriculture now has about 70,000 employees, excluding the Forest Service which is not in this bill. The Government provides something like \$78 million annually for research, under the Agricultural Research Service which we think is a good investment.

The utilization research problems are met primarily by four large laboratories in various sections of the United States, where we spend quite a bit of money each and every year in meeting the many problems that are handled by the Federal Government in this field.

In addition to that, throughout the United States, we have certain other laboratories having to do with soil and water research and those problems. But primarily we have carried on much of the research in this country through a cooperative arrangement between the Federal Government and the various States, through the land grant colleges and the State experiment stations.

Your committee in dealing with the request of the Bureau of the Budget, as I said, did several things. We provided funds to carry on present research facilities, to carry the present employees in these research facilities; and in addition

provided \$1 million and directed that these special problems that constantly arise have the attention of the research department through the use of these funds.

With regard to many laboratories which have been built, and knowing that some several months of the fiscal year had passed, your committee tried to hold these additional employees in line. It recognized that they could not snap their fingers and start running at full blast. We tried to hold the line on adding new employees to the Department of Agriculture on the theory that with 70,000 employees, and with over 7,000 in research, with all the facilities throughout the United States, they should be able largely to meet this need. But again we provided \$1 million cushion just in case there were places where some things had to be taken care of. In addition to that we provided about three-fourths of the request, as I recall it, for staffing the new laboratories that were just coming into existence. Then this bill went to the other side of the Capitol.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. AVERY. Mr. Speaker, I appreciate the gentleman's yielding to me. I tried to follow him carefully. Am I interpreting his remarks to mean this, that the House provided funds for perhaps one or two additional laboratories or research centers, but that a considerable additional number were added by the other body? Is that what the gentleman has said?

Mr. WHITTEN. No. The House held back and did not provide for any new construction at this time. Under present conditions it was felt that that could be delayed.

Mr. AVERY. What was the position of the other body?

Mr. WHITTEN. The other body added quite a number of new facilities and new construction, which I point out is a shift from the cooperative research which is the normal type of operation, where the States and the Federal Government cooperate. This would mean the Federal Government stepping into the picture. We have had some of that. As the gentleman knows, we have four large laboratories now and some several others. But the other body, without Budget approval, may I say, except in one or two instances, added quite a number of others. In a nutshell, they would add something like 1,800 additional employees on a permanent basis. The Senate increases would cover nearly a thousand immediately and would lead to 800 or 1,000 more in the future.

Mr. AVERY. If I may make this comment, I do not think today we ought to be looking at additional employees for the Department of Agriculture. I take exception at putting them in the spotlight and saying we have them doing research. We have the conference committee on the agricultural bill. That is the time to look at the additional employees, because there might be 2,000 or 3,000 additional persons employed under that bill.

Mr. WHITTEN. With something over 7,000 experts in this field, and with all the facilities we have, certainly if we want to economize we should tell the people in the field to take care of the problems as they arise and not to get a new doctor when you have a person with a new symptom before you get him over the old one.

In case these things do arise and these things are needed, we have told the Department to take care of them, and we have given them extra money to be sure there could be no question about it.

The \$700 million which the other body eliminated is done by financing the Commodity Credit Corp. for only part of a year. In all the years I have been here I have never seen the financing of the Department on a half-year basis. Further, a part of that reduction was used up by these additional amounts which they put in the bill which cost you money down the road. I want to make that clear at this point.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. JENSEN. I note that the \$25 million which the Senate included in their bill for research into new industrial uses for farm products was deleted in the conference report. I should like to know why that item was deleted, knowing well that we have little money expended for research in that field compared to research in other agencies of the Government for every conceivable thing one could think of.

Mr. WHITTEN. May I say to the gentleman, and I know of no one who is more interested in agriculture and research and the use of research results than the gentleman from Iowa, that the use of that word by the other body is like an open sesame. It sounds good. It gets lots of support.

The facts are these. Approximately \$19 million is being spent in utilization research now. An increase of \$25 million was made by the other body for utilization research. It is my opinion after sitting in the conference that there was little if any planning on the use of the additional funds, there was little if any study, in my opinion, as to what we are getting for the \$19 million we have spent for this purpose. But if the gentleman will look at the breakdown, it was not \$25 million for utilization research. An estimated \$17,500,000 of it was to build new facilities. Further, the Senate put the construction of facilities and various other research work in the same item. I'm not sure why, unless it was so that one would carry the other.

We have been following a different course for quite a number of years, and I think very satisfactorily. I think the Members of Congress are entitled, if it is a new laboratory, that we see the picture. If it is for carrying on old work, it ought to be so described. If this \$25 million is for new work, there should be a study of what we are getting for the \$19 million now being spent, and a detailed plan of how they are going to use that new money, in my humble opinion.

Mr. JENSEN. I thank the gentleman. Certainly, I must say we all would agree with him when he says that \$17,500,000 of this could be spent for new construction. I was hoping, however, that the conferees would put a limitation on the construction funds and approve part, at least, of the rest of the \$25 million for research into new uses, for industrial uses for farm products. I must also agree with the gentleman when he says that the results have not been too promising. Results for the money that we have spent for research in agricultural products for new uses has not been forthcoming to the degree that I had hoped.

I cannot quite understand why more things have not been discovered where farm products could be utilized especially since we have such a surplus of farm products.

Mr. WHITTEN. May I say to the gentleman, the conferees on this side were prepared, where we had the four big laboratories, to go along where the case was made for some increase in funds. Where we have facilities and where the problems are great, we had open minds as to whether it could be shown that some increase in funds for research in reducing production costs could be made. But we could not get to the point of trying to resolve those differences because once we said we did not see how we could go along with this new construction and with the permanent increase in employees, we found we had no further opportunity to work out these differences, where it was a matter of increasing work that you now have with the facilities you have in areas where you have experience. That is the reason we are back here asking the House to stand by us.

Mr. JENSEN. Can the gentleman tell me how much money will be available for research in fiscal 1963 for industrial uses for farm products?

Mr. WHITTEN. This bill as passed by the House carries about \$78 million for overall research. It carries something like \$56 million for what is termed farm research which includes research on reduced cost of production. It carries roughly close to \$19 million for what is called utilization research, as the gentleman has described it, that is, the use of farm products to promote increased uses. So the bill, as it passed the House, had \$19 million along that line. But we were open to the fact that, with the four big laboratories and in certain other areas, increasing costs might require some part of this increase. As I say, when the House conferees expressed belief that they could not go along with the new construction we had no opportunity to work out the other items.

Mr. JENSEN. I thank the gentleman. I do want to compliment the committee for the funds appropriated in this bill for the Soil Conservation Service, which conserves our priceless soil. I want to compliment the gentleman and every member of the committee for the interest they have taken and the interest they have shown in that great important problem of conserving our soil.

Just one more question. I cannot quite understand how we can intelligently appropriate for the fiscal year 1963 for agriculture since we do not yet know what this farm program is going to cost. We do not know yet whether the House is going to agree to the conference report or whether it will be sent back to conference.

Can the gentleman explain to the House how we can at this moment appropriate intelligently for the functions of the Department of Agriculture since we do not yet know what the law is going to provide relative to the agriculture program?

Mr. WHITTEN. May I say to the gentleman that there is an agriculture law and a program in existence. If we fail to take care of various departments for participation in programs under certain laws we pass we never would go forward. That is one side. As long as the law is as it is we have to provide for it on that basis.

But let me point out to the gentleman that whether the new act is passed, whether it is passed this way, that way, or the other way, or whether the present law continues, insofar as that phase of the department's activities are concerned it is carried on by the Commodity Credit Corporation. That corporation has certain borrowing authority which enables it to finance its programs, subject to replenishing of funds annually in the appropriation bill. So whether we pass the new act as it was passed by the House, or passed by the Senate, or whether the conference report is adopted, or whether you go on with existing law, the funds that you have in the House appropriation bill to operate the Commodity Credit Corporation will be necessary. If we finally adopt the legislation as it passed the House, or as it passed the Senate, or anywhere in between, the House bill provides sufficient funds to carry on.

But whether we pass the House bill, the Senate bill, or anywhere in between, we will be required to appropriate money. The House bill takes care of the situation for a full year while the Senate version would take care of it for about 6 months.

Mr. JENSEN. I thank the gentleman. I am sure the Members of the House will appreciate his reply and explanation.

Mr. WHITTEN. Does the gentleman from Washington desire to use any time?

Mr. HORAN. I think the gentleman from Mississippi has stated the position of the House conferees very well, so I do not have a great deal to add.

I do feel that the other body went far afield in some of these things and I intend to support several motions which will be made to insist on the position of the House with regard to various Senate amendments. You will find that the Senate bill is in excess of ours by quite an amount if we meet the legal obligations Congress has provided for.

Mr. WHITTEN. May I say that the contribution made by the gentleman from Washington has been great in this matter. His understanding and his willingness to cooperate has always been apparent, but he does not let that

overshadow his judgment insofar as soundness is concerned.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. MICHEL. It has been my understanding that in the agricultural conservation program traditionally we have been providing a quarter of a billion dollars a year and included in that amount was the cost of administration of that particular facet of the program. I see on page 21 that the figure \$212,900,000 is substituted which is supposed to be strictly for payments, exclusive of administration, is that correct?

Mr. WHITTEN. May I say to the gentleman the House stood by, in its conference, the position of the gentleman from Illinois. We have announced \$250 million each year, which includes administrative expenses, and at the end of the year we pay what we actually owe. In connection with the agricultural conservation program, your conferees insisted that we stick to the program that we have had and have come to accept.

Mr. BATTIN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Montana.

Mr. BATTIN. I do not quite understand what the position of the committee will be when they go back to conference if a procedure is followed that will sustain the House position by the motion you are planning to make. Is the committee then bound so there can be no compromise in conference, either on construction items or on other items in disagreement with the other body?

Mr. WHITTEN. I would personally feel we were bound to carry out generally the intent as expressed when the House passed the bill. When it comes to many of these items, as I pointed out earlier, where many things are grouped together, certainly we would try to adjust them. Certainly I would go back with that in mind.

In reference to these construction items, I do not see how we can go along with the many new construction items that are in this bill. I do not see how we could play favorites. I think I would have to be consistent and go along with the position of the House in that area. I want to be candid about that.

Mr. BATTIN. In dealing with the various requests, as I understand the gentleman's position, he would still want to go back to conference, which I understand is for the purpose of working out problems between the two bodies and be instructed not to concede on certain items in the bill. At the time this bill passed the House the chairman himself stated that one thing we had to protect in the country and certainly in the world was the topsoil that produces our food and fiber.

This can only be done through research. Some of the items that have been included in the Senate bill are budgeted items, items that have had programming, planning, and have been considered and worked out, and in some instances money expended to the extent of land having been purchased. The item

in my district to which I have reference pertains to Sidney, Mont. The discussion so far leaves me with the feeling that if the position of the chairman of the subcommittee, the gentleman from Mississippi [Mr. WHITTEN], is sustained here today, any item under new construction will not be yielded to by the House. This bothers me considerably. The purpose of the conference is to iron out differences.

Mr. WHITTEN. I have learned long since that this is a give-and-take sort of world in which we live. I also have learned that some people are more influential with the Bureau of the Budget than others. I have learned that the Budget is not sacrosanct. One can look behind the situation sometimes. I also said at the outset that, in all the years during which I have had the privilege of handling the agricultural appropriation bill, this is the first time I have had to come back without being able to work out something which was reasonably fair on both sides.

Mr. Speaker, what I have tried to say is that I think the position of the House is sound in holding down this construction in the bill, and not starting any new construction. I have said that before, and I still believe it. But I am of the opinion if we had to make any change in it, we should be fair about it and not necessarily go along with those who are fortunate enough to get approval by the Bureau of the Budget and leave out those who were not so fortunate. I think we should sustain the position of the House conferees.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Washington.

Mr. HORAN. For the benefit of my colleague, the gentleman from Montana [Mr. BATTIN], we did not ignore the important matters of soil and water research. There are \$70,000 to be spent for this purpose under our version of the bill in the gentleman's State. I think that in prior years we have set up a pretty good research program dealing with soil and water. The House bill provides funds for our historic activity in the matter of the protection of our topsoil.

Mr. BATTIN. If the gentleman from Mississippi will yield further, I would agree with the gentleman from Washington. However, going back to the statement which was made at the time the bill originally passed the House by the subcommittee chairman, that we have an expanding population and with the need becoming even more basic insofar as the anticipated problem of feeding our own country, you still have to plan ahead through the construction of facilities in order to take care of an expanded population. That is what concerns me, and that is why I asked the question of the chairman. I appreciate the position of the chairman. If no new construction is to be the position of the House because of economic circumstances, that is fine. But if we are going to have construction, then the matter becomes a question of who is going to have it.

Mr. HORAN. If the gentleman from Mississippi will yield further, we all thought, to be fair, if we allowed any new construction, we would have to allow a major portion of the requests. Many of the requests were very well presented and sounded very plausible. But we had requests for about \$300 million in additional projects. Much of it was construction. So we had to hold the line some place, and this is where we have held it. I think we can live with the action of the House, but I do not think we can live with the action of the other body, because of the great increase over the House action on this particular bill and the additional increases that would be required for staffing in the years ahead if these new facilities were constructed.

Mr. WILLIS. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Louisiana.

Mr. WILLIS. Along the line of the questions asked by the gentleman from Montana who preceded me, I would like to refer to this situation; and I am not talking about construction funds. As the gentleman well knows, I am interested in an item for varietal sugarcane research and a similar item for accelerating sugarbeet research. I appeared before the subcommittee of which the gentleman from Mississippi is chairman, for myself, and presented letters from, as I recall, some 18 Members in behalf of these items. As it turned out, they were added in the other body. Now, as I understand the position of the gentleman from Mississippi [Mr. WHITTEN], based upon what he has said thus far, he intends to move later on for the Members of the House to approve the action of the House conferees in rejecting Senate amendment No. 2. The particular research items about which I am talking occur in amendment No. 2 in the other body. But in amendment No. 2 there are quite a variety of other items. With reference to the research funds to which I am addressing myself, sugarcane and sugarbeets, I would like to ask the gentleman whether he does not agree that funds for this particular purpose are in order at this time. I would remind the gentleman that this is basic research in the sugar industry which is becoming more and more important in light of the Cuban situation. I am wondering whether the gentleman, despite his position of having to offer a motion to sustain the position of the House conferees, will not concede that it would be in order when the conferees meet again for him to take the position on this particular item that some further negotiations are in order and funds for that purpose are necessary.

Mr. WHITTEN. Mr. Speaker, may I say to my colleague from Louisiana, as we tried earlier to say, by grouping almost all these different matters in one provision in the other body, it made it clear that we would have difficulty, because we could not agree to all of them, even though we were ready to agree on some others.

The gentleman did appear before my subcommittee. As I recall, I was busy on some other matters.

Mr. WILLIS. I remember, the gentleman was occupied at that time and was not presiding.

Mr. WHITTEN. I did not have the privilege of hearing the gentleman's presentation, but I know from the record and from my colleagues that he made a very good presentation. Let me repeat, it has always been our belief, and I think we are sound, that we should seek research results. That is really what we want, results. So far as we have been able to do so, we try to get them to use existing personnel in pursuing new problems, instead of doing as the Department indicates to our friends very often, that they can do so-and-so, if we will get them some more money. But if you follow that course, you never get anything done.

Our study of about 15 items, such as the gentleman has in mind, that were added in the other body indicates that there are increasing costs, and other factors which led us to believe that we were in a position to offer a part of the increases in those areas in order that these new problems could be met. We became convinced, not only as to the sugar item that the gentleman is interested in, but with regard to some of the other 15 in these areas, that we have had increasing costs to where we were in a position to offer a part of the total increase for these items. But, of course, we had no chance when we made a statement that we could not go along with the new construction.

All I can tell the gentleman is that this is not the area which we feel so strongly about. In fact, we were ready to attempt to work out exactly what increase would be essential to meet this problem.

Mr. WILLIS. As I understand, although the gentleman will be placed in the position of asking the House to sustain the position of the House conferees on general amendment No. 2, including a variety of items, as to the matters to which I have addressed myself, his position in the conference will be as it has been in the past and as he has just indicated here on the floor; that these sugar research items are necessary?

Mr. WHITTEN. That is correct. And may I take occasion to lead with my chin, so to speak, and say that many folks who attack this type of research fail to appreciate that the only reason we are in business in this country the way we are is because we are constantly trying to improve varieties and cut down the cost of production. Otherwise, the American farmer could not have fed this Nation as he has. The area which the gentleman discusses I think is probably the most vital area in this bill. I refer not only to this item but the other 15, because only by cutting down the cost and increasing the amount of yield from labor and all the other things, have we been able to expand our national income and maintain a high standard of living. So I think the gentleman knows my feelings about that.

Mr. WILLIS. I thank the gentleman very much. I was going to offer a motion to recede and concur but the position the gentleman outlined will make that unnecessary.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Washington.

Mr. HORAN. I do not believe the gentleman informed the House that we allowed \$487,600, in the House bill, for research in sugarcane. We accelerated sugarbeet research mostly in the mosaic disease and virus fields. We allowed \$549,600 in the House bill for this type of research. In addition to that, there is a contingency fund which we allowed in our bill, largely for the accelerating of research on any outbreaks that need immediate attention. The use of that fund is left to the discretion of the research branch. We insist also that the Agricultural Research Service be flexible. They have available personnel, and if they qualify they can be transferred to a program where the need is great. We recognize that.

Mr. WILLIS. I understand the program on the books and the programs in the past, but we are talking about specific items for special existing purposes stated in Senate amendment No. 2. I might remind the gentleman that there are only two cane-producing States and about 19 beet-producing States. I should say probably 75 percent or thereabouts of the cane sugar is produced in Louisiana, mostly in my congressional district, the sugar bowl of the United States. I am quite familiar with the projects the gentleman referred to and I have been interested in their inauguration in Louisiana and elsewhere. I will say to the gentleman that the item we are now talking about is not for mosaic and other diseases. We are now looking into varietal decline. I should be very much distressed if the gentleman would say funds have been appropriated in the past for some other purposes, and the best you can do is help us fight for helter-skelter research here and there for varietal decline research. I was talking about an item right in this bill as Senate Amendment No. 2, and I was inquiring in new negotiations on it you could expect some favorable disposition on this particular item. There are general funds somewhere in the Agriculture Department for basic research, but we are talking about an item in the bill. I am sure that is what the gentleman from Mississippi had in mind.

Mr. WHITTEN. I had expressed that in the conference, I might say.

Mr. WILLIS. I thank the gentleman.

Mr. WHITTEN. The managers on the part of the House urge the House to support us on these amendments which are in actual disagreement—Nos. 1, 2, 6, 19, 44, and 47 through 54. Our position on these is sound. It is based on, first, requiring the Department to move from less productive to more productive research, largely with present personnel; second, authorizing no new construction which would result in large personnel and budget increases in the future; and, third, financing the Commodity Credit Corporation and its allied programs on a full-year basis so as to avoid a supplemental appropriation next session.

In our opinion, the House position will result in far greater economies than the

Senate bill, which would increase the annual costs of going programs on a permanent basis for the future by providing increased personnel, and offsets these increases by denying funds for CCC

which will have to be provided either in a supplemental bill or by increasing the borrowing authority of the Commodity Credit Corporation early in January.

The following summary table sets

forth the budget estimates and House, Senate, and conference action—based on the House position on the items in disagreement—on the bill:

H.R. 12648—Department of Agriculture and related agencies appropriation bill, 1963

Item	Budget estimates	Passed House	Passed Senate	Conference action	Conference action compared with—		
					Budget estimate	House	Senate
Title I. General activities.....	\$1,510,069,000	\$1,464,582,500	\$1,513,856,000	\$1,470,664,500	—\$39,404,500	+\$6,082,000	—\$43,191,500
Title II. Credit agencies.....	55,324,000	44,406,000	44,606,000	44,606,000	—10,718,000	+200,000	-----
Title III. Corporations.....	2,602,455,000	2,390,004,000	2,169,004,000	2,380,254,000	—222,201,000	—9,750,000	+211,250,000
Title IV. Foreign assistance programs.....	2,186,935,000	1,576,850,000	1,047,517,000	1,576,850,000	—610,085,000	-----	+529,333,000
Total appropriations.....	6,354,783,000	5,475,842,500	4,774,983,000	5,472,374,500	—882,408,500	—3,468,000	+697,391,500

Mr. FOUNTAIN. Mr. Speaker, I rise in opposition to the preferential motion of the distinguished gentleman from Georgia [Mr. FORRESTER], and in support of the motion of the gentleman from Mississippi [Mr. WHITTEN], that the House insist upon its disagreement with amendment No. 19 of the Senate providing \$1,600,000 for the construction of a peanut marketing research laboratory at Dawson, Ga.

Mr. Speaker, my people in North Carolina originally supported the idea of a national peanut marketing research laboratory, but they did so in the sincere belief that it was the intent of both the Senate and House Appropriations Committees that the U.S. Department of Agriculture, in preparing plans and specifications for the laboratory, would follow the request made by the peanut industry in their testimony before both the Senate and House Appropriations Committees.

However, on January 31 of this year the North Carolina Peanut Growers Association, through its executive committee, went on record in opposition to present plans and proposals of the Department for this research laboratory. The North Carolina association, and, I understand, similar associations in a number of peanut-growing States are all presently in opposition to the appropriation in question because they feel that the Department's plans for the construction of the laboratory in question, and the intent of its operations, are inconsistent with the original idea which all of the industry had in mind.

In the first place, pertinent testimony before the Senate Appropriations Subcommittee during the first session of this Congress in connection with H.R. 7444 indicated that a peanut research center is needed where the factors that effect peanut quality can be studied, and efficient, economical methods worked out to handle, store, and market the crop and to increase consumption. The facility should not displace any research by the pioneering laboratory, the utilization laboratories, State agencies, or industry, but should encourage these agencies to use the research center to measure the effects of any and all developments, whether in the field of basic, farm, marketing, or utilization research, on the quality of peanuts or peanut products.

That testimony is followed by some of the specific research projects to be un-

dertaken and the specifications were furnished as a guide to indicate to the Congress the areas in which the Congress desired research work—work which could also serve as a guide to the Department in preparing its plans and specifications for construction and operation of the laboratory. It was pointed out that the facility should not displace any research by any of the aforementioned research agencies, public or private, but instead, should encourage such other agencies to use its facilities. However, Agriculture Department records indicate that if a national peanut research center is established at Dawson, Ga., in keeping with present plans, the peanut mechanization program at Holland, Va., will be terminated and resources shifted to Dawson, Ga., in the third year. If the Department has such a proposal in mind, and it certainly appears to, it could well decide to close other essential research facilities and thus disrupt peanut research in all governmental-type agencies and possibly private agencies.

It is also the feeling of our peanut growers that the Department has gone much further than the industry planners for the laboratory had envisioned, and that the initial cost, the maintenance and operating costs annually will be much greater than the industry ever had in mind and that the laboratory will cover a wider area of research than is needed in such a research laboratory.

The peanut planning committee which developed and submitted to the Congress the request for this appropriation was justifiably disturbed when, upon the appropriation of the planning funds, the Department planners no longer conferred with the industry planning committee as to the scope of the laboratory's operations or its location, with one exception and that was when the industry committee itself requested a hearing with the Department planners, at which time the Department did not seek the advice of the industry planning committee, but told the industry planning committee that appropriate decisions had already been made. Thus, when it appeared that the project might become an accomplished fact, as a result of efforts and support from the entire peanut industry, advice and counsel from the peanut industry's planning committee is no longer needed.

The proposed peanut research laboratory was initiated by the entire peanut

industry with certain overall objectives in mind. It is obvious to our people that the objectives they had in mind have been distorted and that the laboratory in question, if constructed, at Dawson, Ga., as is planned, will not serve the purposes necessary or intended by the industry when it undertook the overall project. It is their present feeling therefore, that such a laboratory, if it is to be constructed at all and operated economically and in keeping with the industry's vision, should be established as a part of an existing national research laboratory facility—one which is now doing some research work on peanuts, and under which the proposed laboratory could function. It is the feeling of my people that either the Southern Utilization Laboratory in New Orleans, or the Beltsville Research Station, of Maryland, could be so enlarged, with considerably less expense, construction-wise and operationwise, and with greater efficiency so as to enable it to achieve the overall function which the industry had in mind. Surely we in North Carolina and Virginia are a good ways from these places, but we think either location would be appropriate for the industry and all others affected.

The initial intent of the peanut industry, and especially the Virginia-Carolina Peanut Association, the Southwestern Peanut Shellers Association, the Peanut Growers Cooperative Marketing Association, the Southwestern Peanut Growers Association, the Association of Virginia Peanut Hog Growers, and the North Carolina Peanut Growers Association was clearly stated in testimony given before the gentleman from Mississippi's [Mr. WHITTEN] subcommittee during the current session of the Congress. That intent, as I see it, has been so substantially changed that it would be harmful to the entire peanut industry if the peanut research laboratory, as now contemplated by the Department, is established.

As I understand it, it is the feeling of the peanut growers, represented by the organizations to which I have referred, that any such national laboratory should be constructed within the general guidelines set forth by the entire peanut industry—not just a portion of it—when it first proposed such a laboratory.

Mr. Speaker, I am, therefore, in complete accord with that part of the Whitten subcommittee report which says:

Further action on this request should be deferred until leaders of the peanut industry can come to some agreement, to which the entire industry will adhere, on the type of research program needed and the proper location for additional facilities proposed.

Let me also quote further language from that Whitten subcommittee report, saying:

It should be noted that approximately \$806,000 is now being spent each year for research on peanuts at 16 Department of Agriculture facilities and 7 State experiment stations. Approximately \$300,000 of this amount is being used for utilization and marketing research, the same general area of research proposed for the new facility. The Department should make certain that existing peanut research facilities are being used fully and effectively before funds for an additional research laboratory are requested.

Mr. Speaker, I regret that it has become necessary for many of us to oppose an idea which our own people originally participated in sponsoring. However, if the plans and specifications to be used to implement a good idea will distort the original purpose and thus jeopardize the future welfare of the industry as a whole, then I think it unwise to implement the idea improperly by the expenditure of \$1,600,000, which naturally will be followed annually by additional expenditures.

It is my considered judgment that representatives of all of the peanut growing States in the Union should first get together, devise and develop, with the advice of their representative research advisers—such as land grant colleges, research directors, and so forth—new and concrete plans and proposals for such a national peanut research laboratory, in accordance with the original wishes of the industry, as set forth in the resolution of the national peanut working group. Such an approach, will, in my opinion, be more economical and will better serve the purpose of research and will supplement, and not replace, research now being conducted by existing research facilities, whether they be private, State or Federal. An agreed upon plan, when fully developed should then be presented to the appropriate authorities for substantial execution.

I am reminded of the words: "A house divided against itself cannot stand." Let us therefore get the peanut industry back together on whatever is done before we permit the expenditure of what may well otherwise be unnecessary funds of the taxpayers.

I, therefore, urge the Members of this House to support its own conferees by insisting upon its original position and thus disagreeing with the Senate amendment providing \$1,600,000 for a new peanut research laboratory at this time. Further exploration and study and greater unity in the industry must be accomplished before such funds are appropriated.

Mr. WHITTEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BEERMANN. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. Further proceedings on this matter will be deferred until tomorrow.

The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 2, line 20, strike out "and for acquisition of sites therefor by donation, exchange, or purchase, at a nominal cost not to exceed \$100".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist upon its disagreement to the amendment of the Senate numbered 1.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: On page 3, strike out all of line 9 down to and including 14 and insert:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, \$106,126,500, including such amounts as may be necessary, notwithstanding the foregoing limitations, to remain available until expended, for the construction, alteration, and equipping of facilities and acquisition of the necessary land therefor by purchase, donation or exchange: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a);".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist upon its disagreement to the amendment of the Senate numbered 2.

The SPEAKER pro tempore. For what purpose does the gentleman from Montana [Mr. BATTIN] rise?

Mr. BATTIN. Mr. Speaker, I offer a preferential motion.

The SPEAKER pro tempore. The Clerk will report the preferential motion.

The Clerk read as follows:

Mr. BATTIN moves that the House recede and concur in Senate amendment No. 2.

Mr. WHITTEN. Mr. Speaker, I am opposed to the amendment for reasons stated earlier.

Mr. BATTIN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. BATTIN. Mr. Speaker, I appreciate the gentleman yielding. I do not like to use the method of a preferential motion, but under the circumstances, as disclosed in the colloquy between the gentleman and myself earlier in the debate I find myself constrained to do so. Not all of the items listed in the bill are necessary at this time, but on the other hand, I do sincerely believe when

it comes to a question of looking to the future and looking after the necessity of providing research facilities and taking care of the soil and crops of this country that we should go ahead and move forward on a program such as this. The project at Sidney, Mont., is a good example of a farsighted program and should be approved. For this and other reasons I ask that my motion be agreed to.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. FORRESTER. I just want to congratulate the gentleman on his motion. I think he is absolutely right. I think research is absolutely the lifeblood of agriculture and I want the gentleman to know I am going to support him on his motion.

Mr. WHITTEN. Mr. Speaker, I am opposed to the motion. The gentleman and I reached some meeting of the minds in our earlier discussion. But I would like to say to the House, if the gentleman's motion prevails and adds all these new laboratories and adds \$28 million to this bill, if we have to take it back not only would it have all these laboratories in there helter-skelter, but it would add this permanent increase in employment in the Department. I certainly can appreciate the gentleman's position. As I said earlier, where a matter is in the budget, if there is any change in the conference, I can readily see the gentleman's position. But I do not believe this House wants to add \$28 million in one amount, about four-fifths of which is not included in the budget.

Mr. Speaker, I hope the House votes down the gentleman's motion.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Montana [Mr. BATTIN] to recede and concur.

The question was taken; and on a division (demanded by Mr. BATTIN), there were—ayes 37, noes 37.

So the motion was rejected.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Mississippi.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 4, line 11, insert "Provided, That, \$150,000 shall be available, notwithstanding the foregoing limitations, for the construction and equipping of facilities and acquisition of the necessary land therefor by purchase, donation, or exchange: *Provided further*, That no funds shall be used to formulate or administer a brucellosis eradication program for fiscal year 1964 that does not require minimum matching by any State of at least 40 per centum:".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 6, line 22, strike out:

"CONSTRUCTION OF FACILITIES

"For construction of facilities and acquisition of the necessary land therefor by purchase, donation or exchange, \$760,000, to remain available until expended."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist upon its disagreement to the amendment of the Senate numbered 6.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 15, line 16, insert:

"CONSTRUCTION OF FACILITIES

"For construction of facilities and acquisition of the necessary land therefor, as authorized by law, \$1,600,000 to remain available until expended."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist upon its disagreement to the amendment of the Senate numbered 19.

Mr. FORRESTER. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. FORRESTER moves that the House recede and concur in the amendment of the Senate numbered 19.

Mr. WHITTEN. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia.

Mr. FORRESTER. Mr. Speaker, I am glad that some of the provisions in amendment No. 2 which came from the Senate have been tentatively accepted. I wish they had been incorporated in the House bill originally—they should have been.

Now, I want to talk to you a little while about a matter that sincerely I think I am right in. I think I have equity on my side. It is a matter of tremendous importance to the people I represent. Mr. Speaker, I want to say to every Member of this House and do it beyond any fear of contradiction, that for at least 2 years the entire peanut industry—do you understand me? The entire peanut industry, the farmer, the sheller, the processor, the manufacturer—were in unanimous agreement upon one thing and that is the research laboratory to improve the quality of peanuts was a most important need.

They were right then, and they are right now. I believe in research. I heard someone say that research has not amounted to much. My stars. I just do not know why you accept that. You know, I was just thinking about our friend and colleague the gentleman from Rhode Island [JOHN FOGARTY]. There should be stars in his crown for the work that he has done and for the research

that he has promoted that has brought cures to so many people and has alleviated so much pain, so much illness, and so much suffering. Oh, yes, Mr. Speaker, research is a wonderful thing. I believe in research; it offers tremendous possibilities, and it may be that some time because of research our basic crops can stand alone without Government support; and, for me, Mr. Speaker, I would like to see that day come.

Mr. Speaker, \$130,000 was appropriated by the Secretary to make a study and plans for this laboratory. The Secretary accepted that responsibility, and the Secretary selected Dawson, Ga., as the site.

It was not political. It was intensely practical. He said it was in the heart of the southeastern peanut production area. He took into consideration that for 40 years one-half of all the peanuts produced in the United States had been grown in the Southeast. That is, Georgia, Florida, Alabama, and South Carolina. And that one-third of the peanuts grown in the United States were grown in the State of Georgia alone. In other words, he is putting the installation where the peanuts are. There are more farmers producing peanuts in that area, Mr. Speaker, than in all of the other areas combined.

Do you know what I hear again? They want to put a facility down not where the crops are grown but it should be in neutral territory. That is the first time anything like that has ever been advocated, and I do not believe you are going to fall for that kind of stuff.

The people in Dawson, Ga., thinking that the decision of the Secretary of Agriculture settled this question, have paid \$12,000 for a site. They have given the deed to the Government, and the Government has accepted it. It is expending \$307,000 for a disposal plant, for sewage lines, water, natural gas, and so forth. It would be a cruel and a crippling thing to delay or deny this laboratory to that city.

It is said this matter should be delayed so that industry might agree on this site. Industry agreed that you had to have a laboratory. This argument came into being after they selected Dawson. That is all there is to it. They were 100 percent agreed until the Secretary said that Dawson was the place to put it. They say now you ought to wait and let industry select the site. That is new. The Secretary of Agriculture is the one who has that authority. That kind of argument did not impress the Secretary and it did not impress the Senate. The Secretary is in favor of Dawson now and expects to be in favor of Dawson as long as he is Secretary. Do you understand that?

The Secretary of Agriculture has selected Dawson, and he expects to stand for Dawson, Ga., as long as he is Secretary. He thinks that the practical facts have decided that situation instead of politics or the dictation of industry. He does not think that locating this laboratory at Dawson will give any undue advantage to any section of the country. I do not, either. I heard the argument they might put it somewhere else—in

neutral territory so it would be fair. The Federal Government does not operate that way. You know better than that. You know there is not anything to that. You know the Government would be fair. It would be a Federal installation and it would be handled by the Federal Government, I believe fairly so.

A small plant has been operated at Holland, Va., by the Federal Government. I do not think other sections were unfairly treated by that plant.

There were some objections about Holland being closed, but the Secretary of Agriculture knocked that into a cocked hat. He said that is not so. We are going to operate Holland and we are not going to close anything.

Mr. RAINS. Mr. Speaker, will the gentleman yield?

Mr. FORRESTER. I yield to the gentleman from Alabama.

Mr. RAINS. First, I would like to ask a question of the gentleman. Dawson, Ga., is in the gentleman's district. It is really in the center or almost the center of the peanut belt, is that not true?

Mr. FORRESTER. Yes. And that is what the Secretary of Agriculture, Mr. Freeman, says.

Mr. RAINS. I remember when we located a research institute for cotton. Where did we locate that research institute for cotton?

Mr. FORRESTER. The gentleman asks a good question. It was in Mississippi, I believe.

Mr. RAINS. It was located in Mississippi, in the cotton country, was it not?

Mr. FORRESTER. Yes.

Mr. RAINS. I heard some contention that it should be located in a neutral State, which to me does not make any sense at all. The idea of the Secretary seems to be to locate it near the center of the peanut belt, is that correct?

Mr. FORRESTER. That is correct, and the gentleman knows that his State, my State, and South Carolina and Florida produce more peanuts than all of the other peanut sections put together. We have more farmers in that area planting peanuts than in all of the other sections put together.

Mr. RAINS. The peanut in the southern part of the State of Alabama is one of the most important crops which our State produces. I am very hopeful that the gentleman from Georgia [Mr. FORRESTER] will win with his preferential motion and that the experimental laboratory will be built at Dawson, Ga.

Mr. FORRESTER. I certainly thank the gentleman from Alabama for his remarks.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. FORRESTER. I yield to the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS. I congratulate the gentleman from Georgia for the great fight he has made in having that experimental station located at Dawson, Ga. The congressional district which the gentleman from Georgia represents, and the old congressional district in the State of Alabama which I represented were adjoining districts. The old district that I represented is a great peanut-

producing district. All of the great peanut leaders of that section have done all they can to see that that plant is located at Dawson, Ga.

I want to say that I am for the gentleman's motion and I shall do anything I can to help the gentleman.

Mr. FORRESTER. I thank the gentleman from Alabama.

Mr. ANDREWS. I think Dawson, Ga., is an ideal location for a peanut experimental plant.

Mr. FORRESTER. Permit me to ask the gentleman this, because I happen to know that the gentleman from Alabama [Mr. ANDREWS] has followed the history of this industry:

Is it not true that the entire industry, including every section of the peanut country, had unanimously agreed that it had to have a laboratory for research insofar as quality is concerned?

Mr. ANDREWS. If the gentleman will yield further, the gentleman is correct.

Mr. FORRESTER. It was only after the Secretary stated that it was to be located at Dawson, Ga., that any trouble developed.

The SPEAKER pro tempore. The time of the gentleman from Georgia [Mr. FORRESTER] has expired.

Mr. WHITTEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Georgia.

Mr. FORRESTER. Mr. Speaker, permit me to say this in conclusion: To delay the start of this laboratory certainly is not wise. Now, sometimes you can delay things and it would be wise, and sometimes it would not. But, my friends, prices are advancing daily, and we can only add to its cost wherever it might be located by undue delay. The work Dawson has done in improving the site will simply deteriorate. It is reasonable to expect—and I think it is reasonable to expect—that Secretary Freeman is going to occupy his office for some time to come—certainly, for 2 years, and perhaps 6 years—and he, who is charged with the responsibility for selecting this site, expects to stand on his selection of Dawson.

Mr. Speaker, this item was approved by the administration and it is in the budget. The Senate placed it in this bill without a dissenting vote. The Senators representing the States that the opposition in the House today comes from had no argument with the plant being located at Dawson, and the amendment passed, I understand, without a dissenting vote.

I do not think that the objectors today know any more about a proper location than does the Secretary. I do not think they know any more about it than the Congressman from Florida, Alabama, Georgia, and South Carolina. Certainly, this opposition is on a section basis, and that is to be deplored.

This laboratory will certainly mean much to my section. I certainly hope that this House, by its vote, will sustain the action of the administration and the Secretary, and place this Federal facility in the location that the Secretary himself said was in the heart of the peanut section.

Mr. Speaker, the record is completely against the opposition to a peanut research laboratory for the purpose of promoting quality.

In the hearings before the subcommittee of the Senate Committee on Appropriations for 1962 beginning on page 286 through page 292 it shows that the peanut associations, processors, shellers, and manufacturers in all of the peanut areas heartily endorsed this laboratory. In the interest of truth, I think that the names of those organizations endorsing this laboratory should be made part of this RECORD, and they read as follows:

National Peanut Council.
National Confectioners' Association.
Peanut Butter Manufacturers Association.
Peanut & Nut Salters Association.
Peanut Improvement Working Group.
Planning Committee.
Virginia-Carolina Peanut Association.
Southwestern Peanut Shellers Association.
Southeastern Peanut Association.
Southwestern Peanut Growers Association.
Virginia Peanut & Hog Growers Association.
North Carolina Peanut Growers Association.
GFA Peanut Association.
Alabama Peanut Producers Association.
Farm Bureau Officials.
Officials Agricultural Marketing Service.
Officials Agricultural Research Service.
The National Grange.
The North Carolina State Grange.
The Peanut Growers Cooperative Marketing Association.
The Association of Virginia Peanut & Hog Growers.
The North Carolina Peanut Growers Association.
The North Carolina Farm Bureau Federation.
The Alabama Peanut Producers Association.
The Georgia, Florida, Alabama Peanut Association.
The Georgia Farm Bureau Federation.
The Southwest Peanut Growers Association.
Southwestern Peanut Shellers Association, comprising all of the peanut shellers and crushers in the States of New Mexico, Oklahoma, and Texas.
Virginia-Carolina Peanut Association, comprising all of the peanut shellers and crushers of the States of North Carolina, South Carolina and Virginia, including Planters Nut & Chocolate Co.
Southeastern Peanut Association, comprising all of the peanut shellers and crushers of the States of Alabama, Florida, and Georgia.
Peanut Butter Manufacturers Association, by resolution adopted at general membership meeting October 4, 1960.

Mr. Speaker, I challenge any of my colleagues from Texas, Oklahoma, North Carolina, or Virginia to deny that every segment of the peanut industry of their States wanted this laboratory to improve the quality of their peanuts, and their opposition only appeared when the Secretary of Agriculture announced the site at Dawson, Ga. It is unbelievable that these organizations and associations should contend now that they were never for a laboratory, as the Senate hearings show beyond a doubt that they were unequivocally in favor of the laboratory.

Mr. Speaker, the gentleman from Texas [Mr. POAGE] said in debate today that this laboratory was for utilization

and other purposes, and I contended the research laboratory was for the purpose of improving the quality of peanuts exclusively. I am attaching hereto a statement entitled "National Peanut Research Center," same being pages 293-294 of the hearings before the subcommittee of the Senate Committee on Appropriations for 1962:

NATIONAL PEANUT RESEARCH CENTER

Peanuts are considered one of the 10 basic crops, with over 1,700,000 acres grown annually during the past 10 years. Production amounts to 1½ to 2 billion pounds annually, with a farm value of about \$150 to \$200 million. One of the chief outlets for shelled peanuts is peanut butter, with about 50 percent of the shelled crop used for this purpose. Other large uses are for salted peanuts, candy, and inshell roasting. No major new uses have been added for peanuts or peanut byproducts in a considerable period of time.

Peanuts are a relatively new commercial crop, and little has been spent on research until in recent years. In view of the importance of this crop to farmers in nine States and because of the food value of peanuts more research is justified.

During the past few years all segments of the peanut industry, including farmers, have been faced with quality problems, multiplied by rapid advances in mechanization at the farm level. The sheller has been concerned about "hidden" damage, splitting, and skin slippage. Shellers need more accurate methods of determining the quality of peanuts purchased, and improved methods for shelling and grading raw peanuts. The peanut butter manufacturers, the salters, and candymakers, have complained that new harvesting and curing methods are affecting peanut quality adversely. Many specific quality defects, such as "hard" peanuts, chalky, and off-flavor nuts, are becoming a problem. The difference between varieties in respect to these problems needs thorough investigation. Cultural practices, harvesting, handling, and curing practices should be looked into as to their effect on quality and to perfect less expensive and more efficient methods and equipment.

Insect damage to peanuts is an increasingly serious problem in all the peanut-producing areas, but it is especially acute in the Southeastern States, where warm weather favors insect activity. Harvesting with combines has aggravated the problem of insect damage in storage by increasing the number of loose kernels and cracked pods which are easy for insects to attack.

A peanut research center is needed where the factors that affect peanut quality and end use value can be studied, so that efficient, economical methods can be developed to handle, store, process, and market the crop and increase consumption.

The facility should not displace any research by the U.S. Department of Agriculture, State agencies, or industry, but should encourage these agencies to use the research center to measure the effects of any and all developments in the field of basic or applied research as it relates to production, marketing, or utilization of peanuts or peanut products.

Some of the specific research projects to be undertaken are:

1. The development of improved methods and equipment for measuring texture, color, maturity, flavor, and other elements of peanut quality, and the development of standards of quality.

2. Development of small sample equipment and techniques which will provide statistically reliable data useful in predicting results of large-scale industrial processing.

3. Effect of storage factors on the quality of farmers stock, shelled peanuts, and peanut products.

4. Effect of harvesting and curing methods on quality.

5. Working with all research scientists to assay the influence of the use of all chemicals, including, but not limited to, fungicides, herbicides, insecticides, fumigants, nematocides, and the effects of various degrees of fertilization, moisture, and soil conditions, during the growing season, on the quality of peanuts. This would involve the processing of small samples on the scale of thousands per annum submitted from existing agricultural research programs in breeding, mechanization, curing entomology, and pathology, using the small sample equipment and techniques developed under item 2 above.

6. Conduct necessary tests to determine whether the use of materials of the type listed in 5 above results in residues which are harmful to consumers or adversely affect the quality of end products.

7. Improved equipment for sampling and inspection of peanuts, farmer stock and shelled grades.

8. Study the ecology, biology, and habits of the insects that attack peanuts during harvesting, transportation, storage, processing, and marketing.

9. Study the nature and extent of damage, and the relative importance of the various insect species that attack peanuts during harvesting, transportation, storage, processing, and marketing.

10. Study the effects of harvesting, transportation, and storage techniques on the susceptibility of farmers stock peanuts to infestation and damage.

11. Develop new methods of preventing and controlling stored peanut insects, including the uses of micro-organisms, biological control, fumigants, insecticides, controlled atmospheric gases, and physical and mechanical devices.

12. Cooperate in the development and testing of improved techniques, new concepts, and equipment for curing peanuts.

13. Develop improved methods and equipment for handling peanuts, particularly in bulk.

14. Design improved commercial storage facilities for bulk peanuts.

15. Develop improved methods, equipment, and facilities for shelling peanuts and for grading and packaging shelled peanuts.

16. Provide evaluation service to peanut breeders to assay the quality potential of breeding lines and new varieties of peanuts. This would include the measurement of milling quality, storage stability quality, adaptability to handling practices and shelling, and the color, flavor, and texture of products manufactured therefrom.

17. Conduct necessary analyses to determine the economic feasibility and effects of the adoption of alternative procedures and processes developed under the foregoing research.

It is understood that research of the type described above, with the exception of economic and statistical research, is an assigned function of the Agricultural Marketing Service, U.S. Department of Agriculture.

A reading of this statement will show conclusively that the laboratory will be confined to improving the quality of peanuts and that the gentleman from Texas was wrong.

Mr. Speaker, I understand that it is now being suggested that the Congress might place this laboratory in some other place. Such a suggestion is ridiculous because the power is vested solely in the Secretary of Agriculture. I again urge my colleagues to support my preferential motion.

(Mr. FORRESTER asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, it is never pleasant to differ with my friend, the gentleman from Georgia [Mr. FORRESTER], or my friends from Alabama. But since the gentlemen made some reference or some indication that the attitude of our subcommittee was perhaps influenced because of this location, I think in fairness to the subcommittee I should make some statement.

In the first place, mention was made of this cotton laboratory which was established in order to get rid of the boll weevil. It is in Mississippi. May I say that is true. It is not in the major cotton section, and neither is it in my congressional district. It is located at Mississippi State University, which is located in the district represented by my colleague, the distinguished gentleman from Mississippi [Mr. ABERNETHY]. But the point that I take the floor for is to say that my friend from Georgia completely misunderstands the position of our subcommittee. In the cotton industry there was no disagreement whatsoever about which I have heard with respect to the need for some laboratory to break the line on insects which were destroying and costing hundreds of millions of dollars annually. A committee was appointed, and the committee selected the site. This site was approved by the Department of Agriculture.

Mr. Speaker, the committee nor anyone else ever talked to me about the location of this peanut laboratory nor should they. But in this particular instance our subcommittee deferred conference for three or four times, trying to see if we could not get the peanut industry together on what they wanted, in an effort to try to see what we could do. I, personally, have little knowledge about the peanut industry, though I am in an area where they are grown. We do not have any base acreage, and we do not grow them commercially. But in this section, I am told, they have the runner peanut, which has a price differential, and is in competition in other sections of the United States. The other sections of the peanut growing industry are of the opinion that if you give them a Federal laboratory in that area it will create further competition. It was stated here that they had to retain part of the peanut industry right in this area. As to any of this I do not know. I am just telling you that the peanut groups, the organizations from the Carolinas and Virginia and some from over the United States, and certain manufacturers all came to us and said that they did not see the need for a national laboratory when normally this kind of research is carried on in cooperation between the States and the Federal Government. In that way you can have research on the Virginia-Carolina type of peanut in the Virginia-Carolina area and you can have it on the Spanish peanut in the Texas area between the Federal Government and the State. You can have it on a three-State basis. But to put up a big Federal laboratory—let me say, so far as I am concerned, Dawson, Ga., is as fine a place as I have ever heard of. I

come from that area and Dawson, Ga., suits me as an individual. But to get rid of this cooperative program, which we have had through the years, which could be carried on in various regions, and to put it in a central Federal laboratory, is something that in my opinion the industry ought to be in agreement on. I do not want to leave any impression that I have taken any particular view because of location. It has nothing in the world to do with me. But I do know that we delayed in conference two or three times trying to help our friends in Georgia, to try to bring the people together, and any inference by my friend from Alabama—and he is my friend—that there is anything unfair or lack of agreement on the laboratory in Mississippi with regard to the boll weevil, is not justified. But I do say that there they had the approval and the selection by a committee appointed for it. But in this instance, I am told they did not. Of course, I have no knowledge as to this matter of my own.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. FORRESTER. Mr. Speaker, I appreciate the gentleman's wanting to help me, but the gentleman is just about helping me out. He is helping me out of the report entirely.

Mr. WHITTEN. This is on the basis of their getting some agreement between these folks. And we did it before we brought the bill up.

Mr. FORRESTER. The gentleman knows that no one is going to get any agreement there. Gabriel will blow his horn before that happens.

Mr. WHITTEN. May I say to the gentleman that I have about decided that, but I did not start off with that belief. I had high hopes for the gentleman being able to get agreement.

Mr. FORRESTER. Mr. Speaker, I am glad the gentleman understands the situation.

Mr. BURLESON. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. BURLESON. Mr. Speaker, I appreciate what the chairman of the committee has said. He is absolutely correct in his appraisal of this issue. There is just one thing wrong with the explanation by our esteemed and lovable friend from Georgia; and may I say now there is not a man in this House for whom I have greater respect and admiration. There is just one thing wrong in his reply to the gentleman from Alabama [Mr. RAINS] about this being the center of the peanut growing industry. It is the center of the runner peanut, as the gentleman from Mississippi has just pointed out, but it is hardly the geographical center of Texas, Oklahoma, Virginia, and the Carolinas, all of which grow a different type of peanut, and which are not related to the same sort of treatment in research as will be provided by this laboratory. The proposal to locate a \$1,600,000 laboratory in the center of a peanut growing area which is in very heavy competition with other types of peanuts is the question at issue. Even our friends and colleagues from New

Mexico and Arizona which raise the Valencia type of peanut have an interest in this matter although not to the same degree as other areas producing other types of peanuts.

There is a vast difference in the treatment of these peanuts between the Carolinas and Virginia, where is produced the large, premium type of peanut, I might add, and the New Mexico and Arizona Valencia peanut, and the Texas and Oklahoma Spanish-type peanut. They all take special treatment. They are all in competition. Already there is disparity of treatment legislatively and now, if this laboratory, which is primarily to promote the end-use of peanuts, is established, this disparity in competition will be greatly expanded. This is more a political laboratory than anything else. We can see the tracks of our esteemed former colleague, Steve Pace, the great former chairman of the Committee on Agriculture, on this issue. We see his tracks in the Department of Agriculture in this thing. There is no mistaking about it. You are asking for something that is unfair to the other peanut-producing sections of this country. I say that in all kindness, and with the best feelings but with honest conviction.

There are those here who talk about economy. Most all of us talk about economy but just lip service does not cut these huge governmental expenses. Here is a place where we can practice economy and be certain we are right.

The House conferees have performed excellently and with responsibility by declining to yield to the other body on this issue, and I hope they will overwhelmingly support their highly justified position.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. FORRESTER. I have great respect for my colleague from Texas. As a matter of fact, I heard him preach here one day and I adopted him as my pastor. But I am not going to let him be a peanut expert for me. I do not believe that any of my colleagues are going to accept the statement that Georgia is playing politics in the Department of Agriculture. I do not believe anybody on this floor is going to think that Georgia outweighs Texas over there in the Department of Agriculture.

The gentleman well knows we do not grow just one type of peanut, we grow almost all types of peanuts. The gentleman knows this is going to be a Federal laboratory. It is going to be absolutely impartial, the gentleman knows that. You have no trouble with the work in Louisiana or in Virginia. There is no reason for you to have any trouble in Georgia, and you are not going to have it. Will you not out of your plenty of what Texas has let Georgia have this little crumb? I will appreciate it if you will.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. GROSS. I am beginning to get the idea that somebody is being unfair to peanuts around here. Did I hear somebody say something about a runt peanut?

Mr. WHITTEN. It might have sounded that way, but it is the runner peanut.

Mr. GROSS. What is the runner peanut?

Mr. WHITTEN. I am like some of the others here, I am no expert in this field, but I have been approached by so many different people with diverse opinions that I have had to learn a little bit about this matter since it started.

Mr. GROSS. I do not want to see anybody be unfair to peanuts, because I like peanuts.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, there are three areas in the United States which raise peanuts. The oldest is the Virginia-Carolina area. The large ballgame peanut is the Virginia type and it is grown in Virginia and Carolina. The smaller type—the one with red skins which you used to be able to buy for a penny; that is the Spanish peanut. That peanut is grown mostly in the Southwest, Texas, Oklahoma, and New Mexico, although some are grown in the Southeast. Then there is the Southeastern area, which, as the gentleman from Georgia told you, grows more peanuts than either one of the other areas alone but not as much as the other two areas combined.

The Southeast grows basically runner peanuts, as described by the chairman of the subcommittee. Each type of peanut competes with the other for the industrial market. Anything which increases the utilization of runner peanuts normally would reduce the utilization of Virginia or Spanish peanuts.

Now get this. I want the Members to listen to this because I do not think there is any clear understanding on this point. This laboratory is not being established as a production laboratory, to teach people how to produce peanuts. It is being established as a utilization laboratory, to develop uses of peanuts. You do not need to locate a utilization laboratory at the point where you grow peanuts. There is no sense to it. Chicago and Los Angeles are the greatest markets for peanuts in the United States. That is where you have utilization. You do not have maximum utilization in Georgia nor in Texas nor in Carolina. You have utilization at the points where they are processing these peanuts so there is absolutely no justification for saying this laboratory needs to be in the middle of an area where either type of peanut is produced because what you are studying is not the production of peanuts, but you are studying the utilization of peanuts.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. FORRESTER. Of course, what is being studied is the quality of the peanuts and not the utilization.

Mr. POAGE. No; the laboratory is described and it has constantly been described as a utilization laboratory, one that is established for the purpose of determining how to utilize these peanuts. The gentleman well knows that every bit of this work might just as well be carried on in the regional laboratory at New Orleans where the law says it shall be carried on and where we already have a laboratory well equipped for it. There are no peanuts grown in Louisiana and no type of peanut would have any advantage there. Neither would it be necessary to build a new plant. Why should we spend \$1,600,000 duplicating facilities which we already own?

Mr. BEERMANN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. BEERMANN. I was wondering where they grew these peanuts that we were talking about in committee sometime in the spring; where they boil them.

Mr. POAGE. That is in Florida.

Mr. BEERMANN. You did not bring them into this conversation.

Mr. POAGE. They are a very, very minor factor, probably not one-half of 1 percent of the peanuts.

Mr. BEERMANN. I wonder about the distance. If there is going to be a laboratory, I wonder if the distance should not be quite close to the area of production because in the Midwest we have a nine-State area. First, I would like to know how they transport these peanuts—by truck or rail or how?

Mr. POAGE. In our area, peanuts are generally transported by truck. I do not know what happens in Georgia, other than that they have been trucking runner peanuts into Houston and Dallas for processing.

Mr. BEERMANN. If they are transported by truck, it probably would not be so bad unless Jimmy Hoffa called a strike. We have a nine-State area that is on strike now and it is quite a detriment to the economy of our area. So I can say we would like to see something like this in the area of production, if that is going to be a reason for the laboratory and if it is not the reason for a laboratory, and it is utilization, then it probably does not make any difference where they are sent unless they are going to send trainloads of a commodity for just a utilization laboratory.

Mr. POAGE. I must confess that I do not know anything about some of the questions the gentleman asked, but I do know this is a utilization laboratory. I do know that there is no reason why it needs to be in a region of production. I do know that peanuts is the one crop in the United States where there is such competition between the various types that is becomes unfair as the gentleman from Texas suggested to establish a laboratory in one region and to promote the utilization of one type of peanut against the other two types of peanuts. We feel the two types of peanuts ought to have the same break as the one type.

We, from Texas, are not asking that the laboratory be located in Texas. The people from Virginia or from Carolina are not asking you to locate it in their area. We are suggesting that you might

use the resources we already have established in New Orleans where we do not have to spend maybe \$1,600,000 to build a new laboratory; or they might use the cooperative resources that the gentleman from Mississippi described because every one of these States that are growing peanuts have some kind of local agency working on production and utilization of peanuts. There is no reason in the world why, if we want to put some money into utilization research of peanuts, we should not put it in on a cooperative basis. And if the State of Georgia wants their cooperative institution located at Dawson, I certainly have no objection in the world, but I do not want the people of Texas or the people of the Southwest and the people of the Carolinas who are growing a different type of peanut to be asked to support the institution at Dawson and cut the heart out of our market. That is exactly what they are asking us to do. They are asking us to pay for destroying our own market for the advantage of one type of peanut, grown only in the Southeast. We are not mad at anybody but we do not believe anyone will seriously expect us to support this expenditure to destroy our own people.

Mr. COOLEY. Mr. Speaker. Will the gentleman yield?

Mr. POAGE. I yield to my chairman.

Mr. COOLEY. All the people in the industry would be happy if it were placed in New Orleans or Beltsville or any other neutral place.

Mr. POAGE. Certainly, the people in the industry would be perfectly happy to have it that way. We feel that this Subcommittee on Agriculture Appropriations has done a good job and has made an honest effort to give you a reduction in expenses. Now I realize that your good friend and my good friends from Georgia have very properly been very active, as their Senator has very properly been active. Most of you know exactly why this laboratory is located at Dawson, Ga. It was not put there by the industry, as the gentleman from Georgia suggested. It was not put there by the producers. It was put there, without the knowledge of the industry or the producers, after the committee had been plainly told that the question of location would be discussed at their next meeting.

Let me repeat. I have no criticism of the gentlemen from Georgia. They have sought to serve their people, but most of you have a greater obligation to the taxpayers of the United States than you have to the people of Georgia. There are lots of research projects on which there is complete agreement. Why not spend any money we feel is available for research on a project of that kind rather than a project which seems to the representatives of at least two areas to be dangerous to their welfare?

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Georgia.

The question was taken, and on a division (demanded by Mr. FORRESTER) there were—ayes 56, noes 41.

Mr. BURLESON. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. Further proceedings on this matter will go over until tomorrow.

The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: Page 20, line 1, insert:

"EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

"For necessary administrative expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948 (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590o, 490p (a), and 590q) as added by section 132 of the Act of August 8, 1961; and subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816) \$95,423,000: *Provided*, That, in addition, not to exceed \$51,379,500 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund, and additional amounts not to exceed \$30,000,000, may be transferred contingent upon the enactment of H.R. 12391, Food and Agriculture Act of 1962."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment numbered 38: Page 27, line 9, insert "*Provided further*, That not to exceed \$225,000 may be transferred by the Secretary from other appropriations available to the Department of Agriculture for the expenses of the Office of Internal Audit and Inspection."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows: in lieu of the word "may" insert the word "shall".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: Page 28, line 21, insert ", of which \$50,000,000 shall be placed in reserve to be used only to the extent required during the fiscal year 1963 under the then existing conditions for the expeditious and orderly conduct of the loan program."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein.

The motion was agreed to.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to consider, en bloc, Senate amendments No. 44, and Nos. 47 through 54, inclusive.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments in disagreement.

The Clerk read as follows:

Senate amendment No. 44: Page 30, line 18, strike out "\$2,278,455,000" and insert "\$2,066,955,000."

Senate amendment No. 47: Page 32, line 4, insert "and unrecovered prior years' costs, including interest thereon."

Senate amendment No. 48: Page 32, line 10, strike out "\$1,080,632,000" and insert "\$700,000,000;".

Senate amendment No. 49: Page 32, line 12, strike out "\$250,000,000" and insert "\$189,000,000;".

Senate amendment No. 50: Page 32, line 16, strike out "\$40,000,000" and insert "\$50,000,000;".

Senate amendment No. 51: Page 32, line 16, strike out "expenses during fiscal year 1963" and insert "unrecovered prior years' cost, including interest thereon;".

Senate amendment No. 52: Page 32, line 19, strike out "\$81,218,000" and insert "\$15,650,000;".

Senate amendment No. 53: Page 32, line 22, strike out "expenses during fiscal year 1963" and insert "unrecovered prior years' costs;".

Senate amendment No. 54: Page 33, line 4, strike out "\$125,000,000" and insert "\$92,267,000;".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist upon its disagreement to the amendments of the Senate numbered 44 and 47 to 54, inclusive.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1963

Mr. STEED. Mr. Speaker, I call up the conference report on the bill (H.R. 11151) making appropriations for the legislative branch for the fiscal year ending June 30, 1963, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 31, 1962.)

Mr. STEED. Mr. Speaker, in this conference report, only nine Senate amendments were subject to conference. The others which related solely to Sen-

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13. TRANSPORTATION. The Finance Committee reported with amendments H. R. 5700, to amend the Tariff Act of 1930 so as to permit contract carriers by motor vehicle to transport bonded merchandise (S. Rept. 2108). p. 18776
14. RECLAMATION. Began debate on H. R. 11164, to approve an amendatory repayment contract negotiated with the Quincy Columbia Basin Irrigation District and to authorize similar contracts with any of the Columbia Basin Irrigation Districts (pp. 18813, 18818-22, 18833). Pending at adjournment was an amendment by Sen Miller to prohibit for 10 years the use of water from the project for the production on newly irrigated lands of any basic agricultural commodity in surplus supply (p. 18833).
15. PERSONNEL. Sen. Hickey urged enactment of the Federal pay bill this session of Congress. p. 18794
16. UNEMPLOYMENT. Sen. McCarthy urged extension this session of Congress of the Temporary Extended Unemployment Compensation Act of 1961. pp. 18814-6

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17. AGRICULTURAL APPROPRIATION BILL, 1963. Agreed to the conference report on this bill, H. R. 12648, and insisted on disagreement to the Senate amendment to provide \$1,600,000 for AMS for construction of facilities and acquisition of the necessary land therefor, as authorized by law, to remain available until expended, after rejecting by a vote of 143 to 221 a motion to concur in this amendment. See Digest 168 for action on other amendments in disagreement. pp. 18848-9
18. LEGISLATIVE APPROPRIATION BILL, 1963. Agreed to the conference report on this bill, H. R. 11151, and took action on amendments in disagreement. pp. 18849-50
19. COOPERATION. Passed without amendment S. 3475, to provide further for co-operation with States in administration and enforcement of certain Federal laws relating to the marketing of agricultural products and to the eradication or control of plant and animal diseases and pests. This bill will now be sent to the President. The proceedings by which a similar bill, H. R. 12802, was passed were vacated, and that bill was laid on the table. p. 18851
20. ANIMAL DISEASE. The Agriculture Committee reported without amendment S. 3120, to grant the Secretary of Agriculture additional authority to permit the interstate movement of certain diseased livestock and poultry (H. Rept. 2429). p. 18881
21. RICE. The Agriculture Committee reported without amendment S. 3152, to provide for the nutritional enrichment and sanitary packaging of rice prior to its distribution under certain Federal programs, including the national school lunch program (H. Rept. 2430). p. 18881
22. SURPLUS PROPERTY. The Government Operations Committee reported with amendment H. R. 11378, to amend the Federal Property and Administrative Service Act of 1949 so as to permit donations of surplus property to schools for the mentally retarded, schools for the physically handicapped, educational television stations, and public libraries (H. Rept. 2433). p. 18881

2. FARM PROGRAM. Sen. Proxmire commended "the very fine job which has been done by our farmers in keeping the cost of food low," and inserted an article, "Why Our Food Is A Bargain." pp. 18786-7
Sen. Long, Mo., inserted the speeches of Secretary Freeman, the president of the Mo. Farmers Assoc., the president of the Minn. Farmers Union, and the assistant director of the Mo. Conservation Commission before the recent regional Land and People Conference at St. Louis, Mo. pp. 18788-93
3. TRANSPORTATION STRIKE. Sen. Mundt criticized the Chicago and North Western Railway strike, stated that unless "immediate action is forthcoming, the farmers and shippers of this great agricultural area will suffer an irreparable economic loss bordering on financial disaster," and inserted several items on the strike. pp. 18822-32
4. WATERSHEDS. Sen. Hart commended the small watershed program in Mich., and inserted a letter from SCS Administrator Williams discussing a recent meeting on the program. pp. 18794-6
5. WATER RESOURCES. Sen. Allott inserted a series of resolutions adopted by the Assoc. of Western State Engineers on water resources, including protection of water rights under State laws, wilderness preservation, water pollution, etc. pp. 18799-801
6. FEDERAL-STATE RELATIONS. Sen. Muskie inserted his and Sens. Mundt's and Ervin's statements at the opening of hearings by the Subcommittee on Intergovernmental Relations of the Government Operations Committee on problems of Federal-State-local relations. pp. 18802-3
7. SOIL AND WATER CONSERVATION. Sen. McCarthy inserted the address of Alf Larson at the recent convention of the National Assoc. of Soil and Water Conservation Districts, "New Horizons in the Broad Concept of Soil and Water Conservation." pp. 18807-8
8. BUDGET. Sen. Humphrey inserted an article from the AFL-CIO American Federationist, "The Need for Budget Reform," critical of present budgetary processes and supporting adoption of a capital budget. pp. 18816-7
9. INDEPENDENT OFFICES APPROPRIATION BILL, 1963. Agreed to the conference report on this bill, H. R. 12711, concurred in certain amendments, insisted upon Senate amendments relating to the construction of fallout shelters, which the House had disagreed to, and requested a further conference with the House. Conferees were appointed. pp. 18808-13
10. SUGAR. Sen. Proxmire inserted an article, "United States Fails to Curb Allies Over Cuba," which contends that certain of our allies are bartering foodstuffs and machinery for Cuban sugar. pp. 18874-5
11. AGRICULTURE. Sen. Javits presented his annual report to the voters of N. Y. State, including references to his activities on agriculture, foreign trade and aid, etc. pp. 18779-83
12. INFORMATION. The Subcommittee on Reorganization and International Organizations of the Government Operations Committee announced it will hold hearing Sept. 21 "on the subject of future plans of the U.S. Government to improve the management of information, particularly scientific and engineering information." pp. D864-5

States forming a part of the public debt, adjusted to the nearest one-eighth of 1 percent.

TITLE II—LOANS FOR COLLEGE STUDENTS

In general

The Senate amendment provided, in title II thereof, a program for scholarships for college students. The House bill contained no provisions for providing financial assistance to college students. The agreement reached in conference provides for student assistance in the form of loans, a portion of which will be nonreimbursable in character.

Appropriations authorized

Section 201 of the conference agreement authorizes the appropriation of \$17,500,000 for the fiscal year 1963, \$26,250,000 for the fiscal year 1964, \$35,000,000 for the fiscal years 1965, 1966, and 1967, for making loans to persons who have not previously received loans under the title. There is also authorized to be appropriated for fiscal year 1964 and each of the seven succeeding fiscal years, whatever sums may be found necessary for making loans to students who have already been granted loans under the title in previous years.

Amount of loans

Subsection (a) of section 202 provides that if a student's college determines, in accordance with the provisions of its plan, that the student is in need of financial assistance to begin or continue his education it may grant him a loan. The loan will be based on his financial need for assistance during the academic year, but may not exceed \$1,000 for the year.

Subsection (b) of such section provides that any college participating in the program may use up to 20 percent of the Federal payments into its student loan fund for the fiscal year for making nonreimbursable loans to undergraduate students whom it determines (1) demonstrate ability for successful academic achievement, (2) are exceptionally needy, and (3) would be eligible for loan from such fund, however, would not, but for the granting of such a nonreimbursable loan, pursue a course of study at any institution of higher education. The maximum amount of a nonreimbursable loan shall be \$1,000 per academic year. It should be noted that a student may be eligible for a nonreimbursable loan for an academic year whether or not he has also been granted a reimbursable loan for that year.

Duration of loans

Loans granted under the new title will be for 1 academic year, or its equivalent, only. No student will be able to receive a loan for more than 4 academic years. The student may receive payments under the loan only if he is in regular attendance at an institution of higher education, is maintaining satisfactory progress in his course of study according to the institution's regularly prescribed standards and practices, and is devoting essentially full time to educational work. Failure to be in attendance for a short period of time where there is good cause in the judgment of the institution for nonattendance will not disqualify a student from receiving further payments. Similarly, failure to be in attendance during vacation, military service, or other extended periods during which there is good cause in the judgment of the institution for nonattendance will not terminate the loan, but during such periods the student will receive no payments.

Allotments to States and institutions

The sums appropriated for loans under the title for fiscal years ending prior to January 1, 1967, will be allotted among the States on the basis of the relative number of full-time undergraduate students enrolled in institutions of higher education in each State. The

Commissioner of Education will make the determination of the number of such students enrolled in institutions of higher education, on the basis of the most recent year for which satisfactory data are available to him.

Sums appropriated for fiscal years after the fiscal year 1967 will be allotted among the States in such a manner as the Commissioner determines to be necessary to carry out the purposes for which such amounts were appropriated.

The money allotted to a State shall be paid by the Commissioner into student loan funds of institutions in the States. Each institution will receive the amount it requests, except that it may not receive an amount greater than an amount which bears the same ratio to the State's allotment as the full-time undergraduate enrollment of the institution bears to such enrollment of all institutions in the State. The title provides for reallocation of money in State allotments where some institutions do not request the full amount to which they are entitled.

Plans for participating institutions

Subsection (a) of section 205 provides that an institution which wants to participate in this loan program shall submit an institution plan. No divinity school or seminary or similar institution shall be eligible to submit a plan under this title. The plan must contain the following provisions:

(1) Provide for establishment of a student loan fund.

(2) Provide that the Federal grants, collections of principal and interest on student loans, and other earnings of the fund will be deposited in the fund.

(3) Provide that the student loan fund will be used only for granting loans (including nonreimbursable loans), for capital distributions, and for certain costs of litigation.

(4) Provide for the selection of students to receive loans, for determination of the amount of loans, and for determining the extent of financial need, in accordance with standards, procedures, and criteria which provide reasonable assurance that the individuals selected to receive loans will have the ability to pursue successfully the course of study selected, determined in accordance with the institution's regularly employed measures of aptitude and ability, and that the amount of each such loan for each year will be based solely on the student's need for financial assistance to continue his education at an institution of higher education, and that selection of individuals to receive nonreimbursable loans will be based solely on the factors set forth in section 202(b).

(5) Provide for certain fiscal control and fund accounting procedures.

(6) Provide that these loans (other than nonreimbursable loans) will be made on such terms and conditions as the institution may determine. However, the loans will be subject to such conditions, limitations, and requirements as the Commissioner may prescribe with a view to preventing impairment of the capital of the student loan fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study. It is required that each loan be evidenced by note or other written agreement providing for repayment of the amount thereof with interest thereon in equal annual installments, or, if the borrower so requests, in graduated periodic installments, over a period beginning 1 year after he ceases to pursue a full-time course of study at an institution of higher education and ending 11 years thereafter. Interest will not accrue and periodic installments will not need to be paid during any period during which the borrower is pursuing a full-time course of study at an institution of higher education, or, not in excess of 3 years, during which the borrower is a member of the Armed

Forces or of the Peace Corps. Also, such a period shall not be included in determining the 10-year period during which repayment must be completed, and such 10-year period may be extended for good cause as determined in accordance with regulations of the Commissioner. The borrowers are given the option to accelerate repayment of their loans.

These loans will bear interest on the unpaid balance thereof at the rate of 3 percent per annum, except that interest will not begin to accrue before the repayments are to begin.

These loans will be made without security and without endorsement, except that in certain cases involving minors either security or endorsement may be required.

Liability to repay loans will be canceled upon the death of the borrower or if he becomes permanently and totally disabled.

These loans will be repaid in such installments as may be provided in the institution's plan, except that no payments shall be made while the borrower is failing to maintain satisfactory standing or attendance pursuant to section 203.

(7) Provide for making certain reports to the Commissioner of Education.

Subsection (b) requires the Commissioner to afford an opportunity for hearing to institutions of higher education before disapproving of plans.

Subsection (c) provides that where the plan has been changed so that it no longer complies with the requirements herein or that in its administration the title is not being complied with, the institution will not be eligible to participate under the title.

Distribution of assets from student loan funds

Section 206 provides for capital distributions from student loan funds when the program provided for in this title terminates. It also provides that unneeded accumulations in a student loan fund will be returned to the Federal Government.

Administrative provisions

Section 207 gives the Commissioner the power to agree to modifications of agreements or loans made under the title and to compromise or release any right, title, claim, or demand arising under the title. It also makes certain financial transactions of the Commissioner final and conclusive upon all officers of the Government, subject to audit by the General Accounting Office.

In general

The House bill contained no separate grant provisions for construction of public community college facilities, though these facilities would for the most part have been eligible for assistance under title I as other institutions of higher education would have been. The Senate amendment contained a separate title providing grants to assist in the construction of public community college facilities. The substitute agreed upon in conference (and more particularly described hereafter) is substantially the same as the provisions of Senate amendment, except that the purpose for which such grants may be made is limited to the construction of structures or portions thereof, especially designed, and to be used only for instruction or research in the natural or physical sciences or for engineering or for use as a library, and for facilities, initial equipment, machinery, utilities, and land (including interests in land and land improvements) which are related to the foregoing.

TITLE III—PUBLIC COMMUNITY COLLEGE ASSISTANCE

Authorization of funds

Section 301 authorizes the appropriation of \$50 million a year for 5 fiscal years beginning with fiscal year 1963.

Allotments to States

Section 302 provides that funds appropriated for making grants under this title will be allotted among the States on the basis of the relative numbers of their high school graduates, weighted so as to reflect the income per person in the various States. The result so obtained will be adjusted by assuming that the income per person in the State where such income is lowest is at least one-third as high as such income in the State where such income is the highest. Such result will also be adjusted in specified cases to reflect higher construction costs in certain cases. Special provisions are also made for Puerto Rico, the Virgin Islands, Guam, and American Samoa.

Matching requirement

Section 303 requires matching of Federal funds by State or local funds. The extent of the matching required will be determined by the number of high school graduates in the State and the relationship between that number and the amount appropriated, but in no event may the State's matching be more than twice the Federal allotment.

State plans

To receive the benefits of the title, a State must have a State plan approved which contains provisions relating to (1) designation of the State agency, (2) State agency authority to carry out the title, (3) fiscal control and fund accounting procedures, (4) establishment of standards for locating, planning, and constructing the facilities, (5) hearings to applicants, (6) reports by the State agency.

Payment to States

Section 305 contains standard provisions for making payments to States, and for repayments where projects are not completed.

Definitions

"Public community college" is defined in detail in section 306, in general, so as to include educational institutions under public supervision and control and limited to first- and second-year college grade courses.

"Public community college facilities" is defined to mean structures, or portions thereof, especially designed, and to be used only, for instruction or research in the natural or physical sciences or engineering or for use as a library, and related facilities, initial equipment, machinery, utilities, and land (including interests in land and land improvements).

Other items defined in the title are "construct," "high school graduate," "national base," and "State agency."

TITLE IV—GENERAL PROVISIONS

Each of the provisions contained in this title was contained in the House bill in substantially the same form, though not grouped in one title.

ADAM C. POWELL,
EDITH GREEN,
JOHN BRADEMAS,
ROBERT N. GLAIMO,
CARROLL D. KEARNS,
ALBERT H. QUITE,
CHARLES E. GOODSELL,

Managers on the Part of the House.

DEPARTMENT OF AGRICULTURE
AND RELATED AGENCIES APPROPRIATION BILL, 1963

The SPEAKER. The further unfinished business is the question of the adoption of the conference report on the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

Mr. BEERMANN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The conference report was agreed to. A motion to reconsider was laid on the table.

The SPEAKER. The further unfinished business is the vote on the motion of the gentleman from Georgia [Mr. FORRESTER] which the Clerk will report.

The Clerk read as follows:

Mr. FORRESTER moves that the House recede and concur in the amendment of the Senate numbered 19.

The SPEAKER. The question is on the motion.

Mr. FORRESTER. Mr. Speaker, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. FORRESTER and Mr. WHITTEN.

The House divided, and the tellers reported that there were—yeas 109, noes 107.

Mr. ABBITT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 143, nays 221, answered "present" 1, not voting 70, as follows:

[Roll No. 232]

YEAS—143

Abernethy	Green, Oreg.	O'Hara, Mich.
Alford	Griffiths	O'Konski
Andrews	Gubser	Olsen
Arends	Hagan, Ga.	Osmer
Ashmore	Haley	Ostertag
Asplnall	Hall	Philbin
Baker	Halpern	Pillion
Bass, Tenn.	Hansen	Pirnie
Bates	Harding	Price
Battin	Harris	Ray
Bennett, Fla.	Harsha	Reece
Bennett, Mich.	Hays	Relfel
Berry	Healey	Reuss
Betts	Hechler	Rhodes, Pa.
Bray	Hemphill	Riehlman
Broomfield	Herlong	Roberts, Ala.
Brown	Holland	Robison
Burke, Mass.	Huddleston	Rogers, Colo.
Carey	Ichord, Mo.	Rogers, Fla.
Celler	Inouye	Rooney
Chamberlain	Jensen	Roosevelt
Chenoweth	Johansen	Rosenthal
Chipperfield	Johnson, Calif.	Rostenkowski
Clark	Jones, Ala.	Roush
Cook	Karsten	Ryan, N.Y.
Corman	Karth	St. Germain
Cunningham	King, N.Y.	Schenck
Daddario	Knox	Scherer
Davis, John W.	Kyl	Schwengel
Davis, Tenn.	Landrum	Selden
Dawson	Libonati	Short
Dent	Loser	Sisk
Donohue	McCulloch	Smith, Miss.
Dorn	McFall	Springer
Doyle	Magnuson	Staggers
Dulski	Matthews	Stephens
Durno	Montoya	Stubblefield
Elliott	Moorhead, Pa.	Sullivan
Everett	Morgan	Tollefson
Evlins	Morris	Trimble
Farbstein	Moss	Udall, Morris K.
Fascell	Multer	Ullman
Flynt	Murphy	Waggonner
Fogarty	Murray	Walter
Forrester	Nedzi	Williams
Gilbert	Norblad	Willis
Grant	Nygard	Winstead
Gray	O'Hara, Ill.	

NAYS—221

Abbitt	Ayres	Bolling
Adair	Baldwin	Bolton
Addabbo	Baring	Bonner
Albert	Barrett	Bow
Alexander	Barry	Brademas
Alger	Becker	Breeding
Andersen,	Beckworth	Brewster
Minn.	Beermann	Brooks, Tex.
Anderson, Ill.	Belcher	Broyhill
Ashley	Bell	Bruce
Auchincloss	Boggs	Burke, Ky.
Avery	Boland	Burleson

Byrne, Pa.
Cahill
Cannon
Casey
Cederberg
Chelf
Church
Clancy
Coad
Cohelan
Collier
Conte
Cooley
Corbett
Cramer
Curtin
Curtis, Mo.
Dague
Daniels
Delaney
Denton
Derounian
Derwinski
Devine
Dingell
Dole
Dominick
Dowdy
Downing
Dwyer
Ellsworth
Fallon
Felghan
Fenton
Flindley
Fisher
Flood
Fountain
Frazier
Frelinghuysen
Friedel
Fulton
Gallagher
Garland
Garmatz
Gary
Gathings
Glaimo
Glenn
Gonzalez
Goodling
Granahan
Green, Pa.
Griffin
Gross
Hagen, Calif.
Hardy
Harrison, Va.
Harrison, Wyo.
Harvey, Mich.
Henderson
Hiestand

Hoeven
Hoffman, Ill.
Horan
Hosmer
Jarman
Jennings
Joelson
Johnson, Wis.
Jonas
Jones, Mo.
Judd
Kastenmeier
Keith
Kelly
Keogh
Kilgore
King, Calif.
King, Utah
Kirwan
Kitchin
Kluczynski
Kornegay
Kowalski
Kunkel
Laird
Lane
Langen
Lankford
Latta
Lennon
Lesinski
Lindsay
Lipscomb
McDowell
McIntire
McVey
MacGregor
Mack
Madden
Mahon
Maillard
Marshall
Martin, Nebr.
Mathias
May
Meader
Michel
Miller, Clem
Miller, N.Y.
Milliken
Minshall
Moeller
Monagan
Moore
Morse
Mosher
Natcher
Nelsen
Nix
O'Brien, N.Y.
O'Neill
Pelly

Perkins
Pike
Poage
Poff
Pucinski
Purcell
Quie
Randall
Rhodes, Ariz.
Rodino
Roudebush
Roussellot
Rutherford
Ryan, Mich.
Santangelo
Saylor
Schadeberg
Schneebeli
Schweiker
Scott
Scranton
Seely-Brown
Shelley
Shipley
Shriver
Sibal
Siler
Slack
Smith, Iowa
Smith, Va.
Stafford
Steed
Stratton
Taber
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, Tex.
Thomson, Wis.
Thornberry
Toll
Tuck
Tupper
Utt
Vanik
Van Pelt
Van Zandt
Wallhauser
Watts
Weaver
Westland
Wharton
Whitener
Whitten
Wickersham
Widnall
Wilson, Ind.
Wright
Young
Younger
Zablocki

PRESENT—1

Sheppard

NOT VOTING—70

Anfuso	Hoffman, Mich.	Peterson
Ashbrook	Hollfield	Pfost
Bailey	Hull	Pilcher
Bass, N.H.	Johnson, Md.	Powell
Blatnik	Kearns	Rains
Blitch	Kee	Riley
Boykin	Kilburn	Rivers, Alaska
Bromwell	McDonough	Rivers, S.C.
Buckley	McMillan	Roberts, Tex.
Byrnes, Wis.	McSweeney	Rogers, Tex.
Colmer	Macdonald	St. George
Curtis, Mass.	Martin, Mass.	Saund
Davis	Mason	Sikes
James C.	Morrow	Smith, Calif.
Diggs	Miller	Spence
Dooley	George P.	Thompson, La.
Edmondson	Mills	Thompson, N.J.
Finnegan	Moorehead,	Vinson
Fino	Ohio	Weis
Ford	Morrison	Whalley
Gavin	Moulder	Wilson, Calif.
Goodell	Norrell	Yates
Halleck	O'Brien, Ill.	Zelenko
Harvey, Ind.	Passman	
Hébert	Patman	

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. James C. Davis for, with Mr. Patman against.

Mr. Pilcher for, with Mr. Ford against.

Mrs. Blitch for, with Mr. Wilson of California against.

Mr. Harvey of Indiana for, with Mr. Smith of California against.

Until further notice:

Mr. Hébert with Mr. Ashbrook.
Mr. Hollifield with Mrs. St. George.
Mr. Peterson with Mr. Hoffman of Michigan.

Mr. Rivers of Alaska with Mr. Gavin.
Mr. Bailey with Mr. Fino.
Mr. Anfuso with Mr. Martin of Massachusetts.

Mr. Buckley with Mr. Kilburn.
Mr. Zeienko with Mr. Goodell.
Mr. Powell with Mr. Byrnes of Wisconsin.
Mr. Rogers of Texas with Mr. Moorehead of Ohio.

Mr. Morrison with Mr. Bromwell.
Mr. Thompson of Louisiana with Mr. Dooley.

Mr. George P. Miller with Mr. McDonough.
Mr. Macdonald with Mrs. Weis.
Mr. Thompson of New Jersey with Mr. Curtis of Massachusetts.

Mr. McSweeney with Mr. Merrow.
Mr. Hull with Mr. Bass of New Hampshire.

Mr. HERLONG changed his vote from "nay" to "yea."

Mr. SHEPPARD changed his vote from "yea" to "present."

Mr. GRIFFIN changed his vote from "yea" to "nay."

Mr. HOFFMAN of Illinois changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question now recurs on the motion of the gentleman from Mississippi [Mr. WHITTEN] that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1963

The SPEAKER. The further unfinished business is the question of the adoption of the conference report on the bill (H.R. 11151) the legislative branch appropriation bill, 1963.

The conference report was agreed to.
A motion to reconsider was laid on the table.

The SPEAKER. The further unfinished business is the vote on a motion of the gentleman from Oklahoma [Mr. STEED] which the Clerk will report.

The Clerk read as follows:

Mr. STEED moves that the House insist upon its disagreement to the amendment of the Senate numbered 44.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. CONTE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. CONTE. Mr. Speaker, would an "aye" vote be to sustain the Senate in knocking out the junk, the "occupant" mail for the legislators?

The SPEAKER. The Chair will state that that is not a parliamentary inquiry. The motion has been stated.

Mr. BROWN. Mr. Speaker, will the Chair restate the question?

The SPEAKER. Without objection, the Clerk will report the motion.

There was no objection.

The Clerk read as follows:

Mr. STEED moves that the House insist upon its disagreement to the amendment of the Senate numbered 44.

The question was taken; and there were—yeas 125, nays 246, not voting 64, as follows:

[Roll No. 233]

YEAS—125

Addabbo	Friedel	Muiter
Albert	Gallagher	Natcher
Alexander	Garmatz	Nix
Alford	Gary	O'Hara, Mich.
Andersen,	Gathings	Olsen
Minn.	Gialmo	O'Neill
Ashley	Gilbert	Perkins
Aspinall	Gonzalez	Philbin
Baring	Granahan	Pillion
Barrett	Gray	Pirnie
Bass, Tenn.	Green, Pa.	Poage
Beckworth	Hagen, Calif.	Price
Biatnik	Harding	Purcell
Bolling	Hardy	Randall
Bonner	Harris	Rhodes, Pa.
Bow	Healey	Riehlman
Brooks, Tex.	Henderson	Rodino
Burleson	Hollifield	Rooney
Byrne, Pa.	Horan	Roosevelt
Cannon	Ichord, Mo.	Rosenthal
Carey	Inouye	Ryan, Mich.
Celler	Jennings	Ryan, N.Y.
Chelf	Johnson, Calif.	St. Germain
Coad	Jones, Ala.	Santangelo
Cohelan	Jones, Mo.	Scott
Colmer	Karsten	Sheppard
Corman	Kastenmeier	Sisk
Daniels	Kelly	Smith, Iowa
Delaney	Keogh	Smith, Va.
Derwinski	King, Calif.	Steed
Dingell	Kirwan	Stubblefield
Donohue	Lesinski	Sullivan
Dorn	Libonati	Thomas
Downing	McFall	Thompson, Tex.
Doyle	Magnuson	Thornberry
Elliott	Mahon	Toil
Ewins	Marshall	Trimble
Farbstein	Matthews	Van Pelt
Fasceil	Miller, Clem	Waiter
Feighan	Moytoy	Watts
Flood	Moorehead, Pa.	Whitener
Fountain	Moss	Whitten

NAYS—246

Abbutt	Chipperfield	Green, Oreg.
Abernethy	Church	Griffin
Adair	Clancy	Griffiths
Alger	Clark	Gross
Anderson, Ill.	Collier	Gubser
Andrews	Conte	Hagan, Ga.
Arends	Cook	Haley
Ashbrook	Cooley	Hall
Ashmore	Corbett	Halleck
Auchincloss	Cunningham	Halpern
Avery	Curtin	Hansen
Bailey	Curtis, Mo.	Harrison, Va.
Baker	Daddario	Harrison, Wyo.
Baldwin	Dague	Harsha
Barry	Davis, John W.	Harvey, Mich.
Bates	Davis, Tenn.	Hays
Battin	Dawson	Hechler
Becker	Dent	Hemphill
Beermann	Denton	Herlong
Beicher	Derounian	Hiestand
Bell	Devine	Hoeven
Bennett, Fla.	Dole	Hoffman, Ill.
Berry	Dominick	Holland
Betts	Dowdy	Hosmer
Boggs	Dulski	Huddleston
Boland	Durno	Jarman
Bolton	Dwyer	Jensen
Brademas	Ellsworth	Joelson
Bray	Everett	Johansen
Brewster	Fallon	Johnson, Wis.
Broomfield	Fenton	Jonas
Brown	Findley	Judd
Broyhill	Fisher	Karth
Bruce	Flynt	Kearns
Burke, Ky.	Forrester	Kee
Burke, Mass.	Frazier	Keith
Byrnes, Wis.	Frelinghuysen	Kilgore
Cahill	Fulton	King, N.Y.
Casey	Garland	King, Utah
Cederberg	Giann	Kitchin
Chamberlain	Gooding	Kluczynski
Chenoweth	Grant	Knox

Kornegay	Murphy	Short
Kowalski	Murray	Shriver
Kunkel	Nedzi	Sibal
Kyl	Nelsen	Siler
Laird	Norblad	Slack
Landrum	Nygard	Smith, Miss.
Lane	O'Brien, N.Y.	Springer
Langen	O'Hara, Ill.	Stafford
Lankford	O'Konski	Staggers
Latta	Osmer	Stephens
Lennon	Ostertag	Stratton
Lindsay	Pelly	Taber
Lipscomb	Pike	Taylor
Loser	Poff	Teague, Calif.
McCulloch	Pucinski	Teague, Tex.
McDowell	Quile	Thomson, Wis.
McIntire	Ray	Toliefson
McMillan	Reece	Tuck
McVey	Reifel	Tupper
MacGregor	Reuss	Udall, Morris K.
Mack	Rhodes, Ariz.	Ullman
Madden	Roberts, Ala.	Utt
Mailliard	Robison	Vanik
Martin, Nebr.	Rogers, Colo.	Van Zandt
Mason	Rogers, Fla.	Waggoner
Mathias	Rostenkowski	Wallhauser
May	Roudebush	Weaver
Meador	Roush	Westland
Michel	Rousselot	Wharton
Miller,	Rutherford	Wickersham
George P.	Saylor	Widnall
Miller, N.Y.	Schadeberg	Williams
Mjiliken	Schenck	Willis
Mills	Scherer	Wilson, Ind.
Minshall	Schneebell	Winstead
Monagan	Schweiker	Wright
Moore	Schwengel	Young
Morgan	Scranton	Younger
Morris	Seely-Brown	Zablocki
Morse	Selden	
Mosher	Shipley	

NOT VOTING—64

Anfuso	Harvey, Ind.	Plicher
Ayres	Hébert	Powell
Bass, N.H.	Hoffman, Mich.	Rains
Bennett, Mich.	Hull	Riley
Blitch	Johnson, Md.	Rivers, Alaska
Boykin	Kilburn	Rivers, S.C.
Breeding	McDonough	Roberts, Tex.
Bromwell	McSweeney	Rogers, Tex.
Buckley	Macdonald	St. George
Cramer	Martin, Mass.	Saund
Curtis, Mass.	Merrow	Shelley
Davis,	Moeller	Sikes
James C.	Moorehead,	Smith, Calif.
Diggs	Ohio	Spence
Dooley	Morrison	Thompson, La.
Edmondson	Moulder	Thompson, N.J.
Finnegan	Norrell	Vinson
Fino	O'Brien, Ill.	Weis
Fogarty	Passman	Whalley
Ford	Patman	Wilson, Calif.
Gavin	Peterson	Yates
Goodell	Pfost	Zeienko

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. McDonough for, with Mrs. St. George against.

Mr. Anfuso for, with Mr. Hébert against.

Mr. Buckley for, with Mr. Rogers of Texas against.

Mr. Powell for, with Mr. Kilburn against.

Mr. Zeienko for, with Mr. Moeller against.

Until further notice:

Mr. Fogarty with Mr. Bennett of Michigan.

Mr. Morrison with Mr. Ford.

Mr. Thompson of Louisiana with Mr. Smith of California.

Mr. Macdonald with Mr. Martin of Massachusetts.

Mr. Peterson with Mr. Harvey of Indiana.

Mr. O'Brien of Illinois with Mr. Ayres.

Mr. Rivers of Alaska with Mr. Goodell.

Mr. Sikes with Mr. Cramer.

Mr. Hull with Mr. Gavin.

Mr. Finnegan with Mr. Fino.

Mr. Patman with Mr. Moorehead of Ohio.

Mr. Rains with Mr. Bromwell.

Mr. Thompson of New Jersey with Mr. Bass of New Hampshire.

Mr. Johnson of Maryland with Mr. Merrow.

Mr. Shelley with Mr. Dooley.

Mr. Pilcher with Mr. Wilson of California.
 Mrs. Riley with Mrs. Weis.
 Mr. Diggs with Mr. Curtis of Massachusetts.
 Mr. Edmondson with Mr. Hoffman of Michigan.

Mr. ALBERT changed his vote from "nay" to "yea."

Messrs. BAILEY, DENT, HOLLAND, HARVEY of Michigan, AUCHINCLOSS, BERRY, CHAMBERLAIN, and SLACK changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. STEED. Mr. Speaker, under leave to extend my remarks I desire again to point out that the action of the House today in accepting a Senate amendment which prohibits the use of the franking privilege for "Occupant Mail" is not a move for economy. On the contrary, the Post Office Department has testified that the occupant mail handled is a much less costly method than addressed mail carrying the frank.

The legislative appropriation bill approved today contains more than \$3,900,000 in payment to the Post Office Department for the use of the franking privilege by Congress. This is the highest figure in history.

An analysis of the claim filed by the Post Office Department shows that the largest single item is for mailing the daily CONGRESSIONAL RECORD. Other large mailings charged to Congress include so-called newsletters, questionnaires, farmer bulletin lists, and reprinted speeches.

An analysis of the membership record on use of the frank in these areas shows that there are 32 members who sent out more than 400,000 pieces of franked mail each. It is interesting to note that these heaviest users of the frank sent a combined total greater than all the other 403 Members combined. It is also interesting to note that of these heaviest users of the frank 24 voted against use of "occupant mail." Among those supporting the right of the House to use the frank for occupant mail were 95 Members who did not use the franking privilege for any of the above-stated purposes.

In view of this situation, I cannot refrain from advising our taxpaying American people that if their Congressmen now will practice what they preach, our postage bill next year will show a substantial reduction. I hope my beloved colleagues will do just this. Our hearings on next year's appropriation bill may be able to reveal this information.

Mr. CONTE. Mr. Speaker, once again, before the vote on the Senate amendment outlawing the congressional useage of the frank on mail addressed simply "Occupant" or "Boxholder," I want to register my approval and enthusiasm for the amendment. I was unable to be present during the discussion of it yesterday because I wanted to cast my vote in the Massachusetts primary. Had I been able to be anywhere near this Chamber, I would have run, not walked, to join in the debate on this amendment. For during that discussion, the high-flung praises of "occupant" mail were sung as never before. It was claimed that "occupant" mail

had saved lives, that it would be less costly, and that it would put congressional mail on a par with that of the private sector of our Nation.

Some of these claims are based more on fancy than on fact. Let us look at just a few. The statement that "the per piece handling cost of congressional mail, addressed to 'Postal Patron' without street address on city carrier routes and post office boxes, will be less than the same mail fully addressed to each householder," is certainly true. But, it completely misses the point involved here, which is that the increase in volume of such mail will up the cost to offset the savings.

The second statement that "franked mail would not even have parity with private mailers on either rural, star, or city routes or boxes since private mailers can send rural mail addressed simply 'Postal Patron, Local' and city mail without name," is even more inaccurate.

There is a big difference between congressional mail for which the taxpayers foot the bill and other mail paid for by the users themselves. Certainly, private mailers can use the "occupant" system, but they pay for it themselves. Congressional "occupant" mail is paid for by the taxpayers in general. There is an enormous difference.

I have, in various debates on this subject, pointed out abuses of the system. I have emphasized that the taxpayers are the ones we should have in mind when voting on this measure. In general, my point has been that it is easier to prevent an abuse than to correct those which might occur. I hope that the House will allow the Senate amendment to stand.

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves the House recede from its disagreement to the amendment of the Senate numbered 44, and concur therein.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

A motion to reconsider was laid on the table.

FHA TO MAKE PAYMENTS IN LIEU OF TAXES

The SPEAKER. The further unfinished business is the question of suspending the rules and passing the bill H.R. 13067, which the Clerk will report by title.

The Clerk read the title of the bill.

The question is, Will the House suspend the rules and pass the bill (H.R. 13067)?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

REIMBURSEMENT OF RAILROAD UNEMPLOYMENT INSURANCE

The SPEAKER. The further unfinished business is the question on sus-

pending the rules and passing the bill S. 3529, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill (S. 3529)?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

VIRGIN ISLANDS NATIONAL PARK, ST. JOHN, V.I.

The SPEAKER. The further unfinished business of the House is the question on the passage of the bill S. 2429, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, first of all, it is very clear to anyone familiar with the Virgin Islands that the formation of the park has been a major factor for economic development. Senator Theovald E. Moorhead, meeting with the gentleman from Texas, Congressman RUTHERFORD, and others, on September 7, stated at length what a wonderful thing the Virginia Islands National Park is for the people of St. John and the whole community of the Virgin Islands, and what a fine project Caneel Bay Plantation has been for the economy of St. John. Furthermore, in the original legislation, more than 3,000 acres in two segments of the island where the great majority of the people live were purposely excluded from the boundaries of the national park in order that there might be ample land on the island for private development.

Senator Moorhead has said that his only objection to the bill was the feature of condemnation. Mr. Rockefeller has made his position very clear that he is against condemnation. This has constantly been his position, and it is based on the extreme, adverse reaction to condemnation expressed by the people of the area, plus the fact that Mr. Rockefeller feels condemnation is not essential in this particular case. The gentleman from Texas, Congressman RUTHERFORD, and others, also have made themselves very clear that they are against condemnation, and the gentleman from Texas, Congressman RUTHERFORD, has gone so far as to offer an amendment excluding condemnation from the bill and to work for the passage of the bill only if condemnation is excluded. It is regrettable that confusion continues; hopefully, this bill will be amended to exclude condemnation and will be enacted.

Senator Moorhead, in a letter to the Daily News of the Virgin Islands, which was published on September 15, also commented:

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Sept 25, 1962

For actions of Sept 24, 1962

87th-2d, No. 172

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HIGHLIGHTS: Senate requested further conference with House on agricultural appropriation bill. Sen. Proxmire criticized conference report on farm bill. Senate committee reported pay bill. Sen. Morse inserted his speech expressing concern over lumber imports. Rep. Norblad criticized lumber imports. Rep. Matthews commended ASC committeemen.

HOUSE

1. ASC COMMITTEES. Rep. Matthews commended the ASC committeemen saying, "Congress should give a general round of applause for America's farmer-elected ASC committeemen--the frontline men of this Nation's great agricultural complex." pp. 19411-2
2. LUMBER. Rep. Norblad criticized the importation of Canadian lumber and urged action to limit such imports. p. 19411
3. INDEPENDENT OFFICES APPROPRIATION BILL, 1963. Further conferees were appointed on certain Senate amendments to this bill, H. R. 12711. Senate conferees have already been appointed. p. 19355
4. DRUGS. The Interstate and Foreign Commerce Committee reported on Sept. 22 (during adjournment of the House) with amendment H. R. 11581, the proposed Drug and Factory Inspection Amendments of 1962 (H. Rept. 2464). Received on Sept. 24 a supplemental report on this bill (H. Rept. 2464, pt. 2). p. 19417

5. SURPLUS PROPERTY. Passed as reported H. R. 11378, to amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus property to schools for the mentally retarded, schools for the physically handicapped, radio and television stations licensed by the FCC as educational radio or educational television stations, and public libraries. p. 19403
6. PERSONNEL. Rep. Beckworth inserted correspondence and articles regarding summer employment by Federal agencies in the Washington, D.C. area and urged enactment of legislation to extend the apportionment requirement in the Civil Service Act to temporary summer employment. pp. 19412-5
7. DECENTRALIZATION. The Government Operations Committee approved a report, "Criteria for Decentralizing Federal Activities from the Nation's Capital." p. D884

SENATE

8. AGRICULTURAL APPROPRIATION BILL, 1963. Agreed to the conference report on this bill, H. R. 12648, and insisted on certain amendments in disagreement (p. 19315-7). Concurred in the House amendment to the Senate amendment to provide that not to exceed \$225,000 shall be transferred by the Secretary from other appropriations available to the Department for the expenses of the Office of Internal Audit and Inspection (p. 19315). Insisted on the Senate amendments 1,19,44,47,48,49,50,51,52,53, and 54 (see Digest 168 for a summary of these amendments)(p. 19315). By a vote of 77 to 0, insisted on amendments 2 (relating to research and demonstration on the production and utilization of agricultural products) and 6 (relating to construction of ARS research facilities) (pp. 19315-7). Requested a further conference with the House on the items in disagreement, and conferees were appointed (p. 19317).
9. PERSONNEL; POSTAL RATES. The Post Office and Civil Service Committee reported with amendment H. R. 7927, the Federal pay and postal-rate increase bill (S. Rept. 2120)(p.19262). The "Daily Digest" includes the following statement regarding the bill as reported:

"The bill, as approved by the committee, would provide an estimated \$603 million annual additional revenue from postal rate increases, derived from (1) increased first-class postal rate to 5 cents, (2) increased airmail rate to 8 cents, (3) in second-class mail, three annual 4-percent increases in editorial content, and three annual 10-percent increases in advertising content, and (4) increases in third- and fourth-class mail.

"With regard to Federal employees' pay increases, the bill would (1) provide upon enactment an average of 5.5-percent increase for classified workers and an additional 4.1-percent increase on January 1, 1964, (2) provide upon enactment an average of 8.6-percent increase for postal workers, and an additional 2.6-percent increase on January 1, 1964, and (3) provide upon enactment a 7-percent increase for legislative employees.

" ...

"Also, committee adopted an amendment which would include in the bill the text of S. 2937, to provide increases in civil service retirement annuities." (p. D883)
10. FARM PROGRAM. Sen. Proxmire discussed the farm bill as reported out of conference, expressed reservations over the feed-grain provisions, urged the Secretary "to undertake wide-ranging studies of alternative feed grain programs for the years following 1963," and contended that the bill "would result in a cost twice as high for the taxpayers as the cost would have been under the bill which previously was passed by the Senate." pp. 19324-6

be passed on to the Government, the United States could not be sure that it would be made whole with respect to premiums collected and losses paid. Whether it would in fact be made whole would depend on a number of factors, one of which is the duration of the war, i.e., that any large initial loss might be recouped through continuing premium collections which are not absorbed by continuing losses. Section 1202(b) of the act provides that any insurance issued under the act "shall be based, insofar as practicable, upon consideration of the risk involved."

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, if the Senator will yield, I ask unanimous consent that the business under discussion be laid aside for the time being.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. The Senator from Georgia [Mr. RUSSELL] has a request to make.

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill—H.R. 12648—making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Sept. 17, 1962, pp. 18487-18488, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Mr. President, I move that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 12648, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
September 19, 1962.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 25, and 40 to the bill (H.R. 12648) entitled "An Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes", and concur therein;

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38, and concur therein with an amendment, as follows: In lieu of the word "may" insert the word "shall";

Resolved, That the House insist upon its disagreement to the amendments of the Senate numbered 1, 2, 6, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54 to aforesaid bill.

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 38 to the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, a number of amendments to the bill are in disagreement. Before we conclude I intend to move that the Senate insist on all of them and ask for a further conference. I wish to point out to Members of the Senate that the principal amendments in disagreement are amendments 2 and 6, which have to do with research items in the bill.

Mr. President, I ask unanimous consent that amendments 2 and 6 may be considered en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. RUSSELL. Mr. President, I desire to have a yea-and-nay vote on those amendments, but I now move that the Senate insist on the other amendments in disagreement, numbered 1, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, Senators will recall that the committee recommended an increase of \$25 million to accelerate utilization research and development. In the conference meetings the conferees representing the other body insisted that the present level of utilization research of \$18,800,000 was adequate. They insisted that additional results could be obtained by the same personnel through shifts in research projects. They were also opposed to the expansion of research facilities to conduct an accelerated utilization research program.

The general tenor of their opposition was to oppose, and not agree to, any of the Senate amendments providing for construction of any research facilities of any character or to conduct any particular phase of the work.

In the statements and notes sent to both the Senate and House conferees the Secretary of Agriculture made the following statement:

The Department recognizes the potential of utilization research for developing new food, feed, and industrial uses for farm products. An expansion of this research as recommended by the Senate could be used effectively to promote the welfare of the farmer and the consumer and to reduce the burden of agricultural surpluses.

The Department would use the increase in three areas: (1) To provide additional facilities for this research; (2) to completely staff existing facilities; and (3) to expand utilization research and development through the use of cooperative agreements, contracts, and by initiating a program of grants for research.

The current utilization research laboratories can accommodate only about a 10-percent expansion in personnel. Additional facilities and specialized equipment would be needed to carry out a greatly expanded research program. The present laboratory and pilot plant facilities could be essen-

tially doubled. In the first year a part of these facilities would be provided.

Mr. President, there is a great need for adequate agricultural research in the field of utilization and new uses, because agricultural research and utilization research in particular, is lagging far behind research and development investigations in other program activities. To illustrate the relative situation which obtains, I shall cite a few facts and figures.

The 1963 budget document lists the estimated expenditures for fiscal year 1963 for research and development by major program classifications as follows:

For the Department of Defense, for military programs, \$7,148 million.

For research by the National Aeronautics and Space Administration \$2,400 million.

For the Atomic Energy Commission, the research and development cost set forth in the budget is \$1,408 million.

For the Department of Health, Education, and Welfare the Congress had appropriated \$680 million for research and development.

Since this tabulation was issued, the 1963 appropriation bill has been acted upon. The budget requested new obligatory authority of \$780.4 million. The House bill provided \$840.8 million, the Senate recommended \$900.8 million, and the conference report provided \$880.8 million—an increase of \$215.5 million over 1962 for this Department.

For the Department of Agriculture, including forestry research as well as payments to the State experiment stations, the sum of \$171 million is involved.

For the National Science Foundation the figure is \$164 million.

For all other agencies the sum is \$395 million.

These expenditures for research and development add up to \$12,365 million. The share of agricultural research and development, amounting to \$171 million, is only 1.4 percent of the total of the \$12,365 million.

The item for utilization research as it passed the other body constituted only three-tenths of one percent of the \$5.5 billion in the Agriculture Department appropriation bill alone. If we were to break it down mathematically, as against the total amount for research by the Government of \$12,365 million, there would be a string of zeroes from here to the door before we ever got to the infinitesimal part that agricultural utilization research costs the Federal taxpayers.

After there was a reduction in the total appropriation of \$700 million, there was an increase of \$25 million as provided by an amendment for utilization research in the bill that passed the Senate—and that is, the bill involved in the conference report now before the Senate. This amount is less than 1 percent of the total appropriation.

In the fiscal year 1961, the State experiment stations spent a total of \$152 million for research, of which less than \$7 million could be classified as utilization research. I ask Senators to bear in mind that more than three-fourths the

money spent by the State experiment stations was appropriated by the several States and was not derived from Federal funds.

The State experiment stations concentrate principally upon research investigations upon farm crops and products, and the marketing of these products. It is very evident—and experience through the years demonstrates—that any acceleration of the utilization research program must be undertaken by the Federal Government and financed by Federal appropriations.

Mr. President, when we bear in mind the fact that we have spent in the past 10 years some \$26.2 billion in an attempt to deal with the question of farm surpluses, it should be abundantly evident to any impartial and objective person that the \$25 million to develop new uses for agricultural crops and products and to avoid the enormous sums we are paying for storage, handling and transportation of these commodities is a very minute increase in expenditures. It can justify itself many times over if by unlocking the door and revealing new information with respect to only one commodity and a new use to which that commodity might be put.

We had printed a supplement to the Senate hearings which clearly demonstrates the worth and accomplishments stemming from the very modest current program.

The Department reports that during the past 5 years the value of agricultural commodities has been enhanced \$1¼ billion as a result of the very modest program of about \$18 million a year for utilization research.

We have been advised by the Department that the Department proposes to use the \$25 million provided by the Senate amendment as follows:

First, \$17.5 million would be used to initiate construction of research facilities needed to carry out the accelerated program.

Second, contract research to qualified research firms would be stepped up rapidly from the current rate of \$750,000 to an estimated \$3 million annually.

Third, full use would be made of existing laboratory capacities by accelerating the research investigations therein by \$4.5 million annually. In subsequent years the increased level of funds would be used to further accelerate research investigations as the construction requirements decrease.

Senate amendment No. 2 also carries the construction items for research facilities. The committee separated these into two items in the 1961 bill. This year we combined them again as they were heretofore carried, and as is noted in amendment No. 6.

The committee of the other body denied a budgeted item for soil and water conservation research which is carried in Senate amendment No. 2. As I indicated when the Senate was debating the bill, the Senate conferees would yield on the proposed addition to the laboratory at East Lansing, Mich., requested to accelerate research on avian leukosis in poultry. This facility could be provided under amendment No.

2, through the use of funds earmarked for the Ames, Iowa, laboratory, and within the total amount allowed in the Senate amendment.

Amendment No. 2 also carries other construction items for soil and water conservation research and other needed research facilities.

The Senate committee endeavored to be prudent in dealing with these requests for research facilities. The total figures, which I stated earlier, show the very modest amount used for research by the Department of Agriculture compared with amounts used by other departments, which indicates that we were prudent to the point of frugality in providing for needed agricultural research facilities in this country. We allowed less than 25 percent of the funds that were requested with respect to other research items and for which witnesses testified, and in which Senators indicated a great interest.

The Senate conferees are the servants of the Senate. They serve as their agents in conferring with the Representatives of the other body. I hope Senators will carefully consider the vote, which I will ask to be a yea-and-nay vote, in order that we may consider the action of the Senate as our instruction. If Senators wish to insist upon its amendment providing for a \$25 million appropriation for utilization research and the other items carried in the motion, they will vote "Yea."

If the motion to insist on the amendment is rejected, I shall then move that the Senate recede on the utilization items related to the \$25 million appropriation, and then we can return to conference on the other smaller items contained in the amendment.

Personally, if I have ever seen an illustration of a "penny wise and pound foolish" course, it is to deny adequate facilities for research to find new uses for the staggering surpluses of agriculture stored throughout our land for which we are paying \$1.5 billion a year in storage, transportation, and related costs alone.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MANSFIELD. Mr. President, before the Senator makes his motion, I wish to state that I am wholeheartedly in accord with what the distinguished chairman of the committee has advocated. I hope that the Senate, in no uncertain terms, will uphold the hand of the chairman of the committee, because he represents our point of view and deserves our support.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DIRKSEN. I think the distinguished Senator from Georgia has made a very impressive case, particularly in his comparison of funds available for agriculture research as distinguished from research in other fields. The amount devoted to agriculture research is an almost infinitesimal amount. Yet if we are ever to find a solution to the problem, it must be in further research to reduce costs, to reduce the storage

problem, and to find new uses for farm products. We have developed one of the most productive plants that have been created at any time anywhere in the world. So the position of the chairman of the subcommittee ought to be sustained in the conference.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from North Dakota, who is the ranking minority member of the committee.

Mr. YOUNG of North Dakota. I support the position taken by the distinguished chairman of the Senate Agriculture Appropriations Subcommittee. We have been wrestling with farm surpluses for many years. Several times in the past the Senate has provided a greatly increased utilization research fund. Approximately 3 or 4 years ago the Senate established a special research committee composed of some of the best research people in the United States, both in the Department of Agriculture and in private industry, to look into the need for more utilization research. They came forth with a report which would indicate that untold new uses could be found for agricultural surpluses.

This is one of the better answers to our farm surplus problem. As the Senator has pointed out, we appropriate billions of dollars for research into almost every other phase of endeavor in our country. But when it comes to agriculture, it is almost impossible to obtain the necessary funds for research, not only for utilization but for other types of research.

The Senator knows there is a modest sum provided in the bill for nutrition. I believe the amount was \$20,000. It would have permitted the making of plans over a 3-year period for the construction of some nutrition laboratories. This was disapproved in conference.

Research into nutrition is almost as important as research into heart disease, cancer, and other diseases.

That item was denied. We have had a continuing battle to obtain even meager funds for research from the House committee.

I can see no other course that the Senate can follow than to disapprove the conference report and insist on those research items.

Mr. RUSSELL. Mr. President, I ask for the yeas and nays on the question of agreeing to the motion to further insist on Senate amendments Nos. 2 and 6.

The yeas and nays were ordered.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield.

Mr. KUCHEL. What the distinguished Senator from Georgia [Mr. Russell] has said is precisely correct. The Senate will follow his leadership completely. I come from a State which has a peculiar interest in the possibilities of research development with respect to agriculture as we know it in my State. But the problem is not a parochial one. The problem is national in scope. The Senator from Georgia [Mr. Russell], the Senator from North Dakota [Mr. Young], and others have conducted the

battle year in and year out. They have led the way with respect to research in the important field of agriculture. I hope that the position of the Senator from Georgia will be sustained by the Senate, and I hope that his position may be vindicated in the public interest in the next few days.

Mr. RUSSELL. I thank the Senator.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the Senator from South Carolina.

Mr. JOHNSTON. I join Senators who have been saying that the proposed research is needed.

Senators will recall that only a few years ago I and several other Senators, including the Senator from North Dakota [Mr. YOUNG] and the Senator from Nebraska [Mr. CURTIS] were sponsors of a similar measure, which was passed by the Senate, which would provide for an extension into the field of agricultural research. We would spend millions of dollars in order to try to find more uses for agricultural commodities.

As I recall, the Senate voted unanimously for the provision. At this time I think the Senate would do the right thing in following our leader, the chairman of the subcommittee, the Senator from Georgia [Mr. RUSSELL] in asking for the proposed research. We should do so now, and not put it off any longer.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia to further insist on Senate amendments Nos. 2 and 6. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. HARTKE], the Senator from Rhode Island [Mr. PELL], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I further announce that the Senator from Idaho [Mr. CHURCH], the Senator from Alaska [Mr. GRUENING], the Senator from Wyoming [Mr. HICKEY], and the Senator from West Virginia [Mr. RANDOLPH] are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Wyoming [Mr. HICKEY], the Senator from Rhode Island [Mr. PELL], the Senator from West Virginia [Mr. RANDOLPH], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Massachusetts [Mr. SMITH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business as a U.S. representative to the General Assembly of the United Nations.

The Senator from South Dakota [Mr. BOTTM], the Senator from Indiana [Mr. CAPEHART], the Senators from New Hampshire [Mr. COTTON and Mr. MURPHY], the Senator from New York [Mr. JAVITS], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from South Dakota [Mr. BOTTM], the Senator from Indiana [Mr. CAPEHART], the Senator from New York [Mr. JAVITS], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The result was announced—yeas 77, nays 0, as follows:

[No. 278 Leg.]

YEAS—77

Aiken	Hart	Monroney
Anderson	Hayden	Morse
Bartlett	Hickenlooper	Moss
Beall	Hill	Mundt
Bennett	Holland	Muskie
Bible	Hruska	Neuberger
Boggs	Humphrey	Pastore
Burdick	Jackson	Pearson
Bush	Johnston	Prouty
Butler	Jordan, N.C.	Proxmire
Byrd, Va.	Jordan, Idaho	Russell
Byrd, W. Va.	Keating	Saltonstall
Cannon	Kefauver	Smith, Maine
Carlson	Kerr	Sparkman
Carroll	Kuchel	Stennis
Case	Lausche	Symington
Chavez	Long, Mo.	Talmadge
Cooper	Long, Hawaii	Thurmond
Curtis	Long, La.	Tower
Dirksen	Magnuson	Wiley
Dodd	Mansfield	Williams, N.J.
Ellender	McCarthy	Williams, Del.
Engle	McClellan	Yarborough
Ervin	McGee	Young, N. Dak.
Fong	McNamara	Young, Ohio
Goldwater	Metcalf	

NAYS—0

NOT VOTING—23

Allott	Fulbright	Murphy
Bottom	Gore	Pell
Capehart	Gruening	Randolph
Church	Hartke	Robertson
Clark	Hickey	Scott
Cotton	Javits	Smathers
Douglas	Miller	Smith, Mass.
Eastland	Morton	

So Mr. RUSSELL's motion that the Senate further insist on Senate amendments Nos. 2 and 6 was agreed to.

Mr. RUSSELL. Mr. President, I move that the Senate request a further conference with the House on the items in disagreement between the two bodies, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. HAYDEN, Mr. ELLENDER, Mr. YOUNG of North Dakota, and Mr. MUNDT conferees on the part of the Senate at the further conference.

REMOVAL OF CERTAIN LIMITATIONS WITH RESPECT TO WAR RISK INSURANCE

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of Calendar No. 1285, S. 2829,

and that it be made the pending business.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 2829) to amend title XII of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of certain bills on the calendar to which there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. The first bill is Calendar No. 2067, H.R. 12907.

DR. MEHMET VECIHI KALAYCIOGLU

The Senate proceeded to consider the bill (H.R. 12907) for the relief of Dr. Mehmet Vecihi Kalaycioglu which had been reported from the Committee on the Judiciary, with amendments, on page 2, after line 5, to insert a new section, as follows:

SEC. 3. For the purposes of the Immigration and Nationality Act, Antonio Gutierrez Fernandez and Sheu Chwan Shaiou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act for the relief of Doctor Mehmet Vecihi Kalaycioglu, Antonio Gutierrez Fernandez, and Sheu Chwan Shaiou."

AMENDMENT OF DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947 AND THE DISTRICT OF COLUMBIA BUSINESS CORPORATION ACT

The Senate proceeded to consider the bill (H.R. 8074) to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations which had been reported from the Committee on District of Columbia, with an amendment, to strike out all after the enacting clause and insert:

That section 2(b) of title III of the District of Columbia Income and Franchise Tax Act of 1947, as amended (D.C. Code 47-1557a(b)), is amended by adding at the end thereof the following new paragraph:

"(17) a. FOREIGN CORPORATIONS.—Income derived by a foreign corporation authorized to invest in loans secured by real estate, which does not maintain any office or employee in the District of Columbia and whose activities in the District of Columbia are

limited exclusively to one or more of the following:

"(1) the acquisition of loans (including the negotiation thereof) secured by mortgages or deeds of trust on real property situated in the District of Columbia pursuant to commitment agreements or arrangements made prior to or following the organization or creation of such loans;

"(2) the physical inspection and appraisal of property in the District of Columbia as security for mortgages or deeds of trust;

"(3) the ownership, modification, renewal, extension, transfer, or foreclosure of such loans, or the acceptance of substitute additional obligors thereon;

"(4) the making, collecting, and servicing of such loans through a District of Columbia concern engaged in the business of servicing real estate loans for investors;

"(5) maintaining or defending any action or suit or any administrative or arbitration proceeding arising as a result of such loans;

"(6) the acquisition of title to property which is the security for such a loan in the event of default on such loan;

"(7) for a period not exceeding ninety days following acquisition, the operation, maintenance or rental of real property which was security for the corporation's loan and which was acquired by it under foreclosure, sale or agreement in lieu thereof if, during such ninety-day period, such corporation is actively engaged in the liquidation of its investment and if such liquidation is accomplished by or before the end of such ninety-day period.

"b. A foreign corporation claiming an exclusion from gross income pursuant to this paragraph shall file with the Commissioners a statement of the income which it claims is excludable, a statement of its activities within the District, and such other information and in such form as the Commissioners may prescribe. In the absence of such a statement the exclusion provided by this paragraph shall not apply.

"c. No exclusion of gross income under this paragraph shall be allowed to a foreign corporation unless all of the income claimed to be excludable is, nevertheless, subject to tax and is reported to and is taxed by either the State or other jurisdiction in which such corporation is incorporated, or the State or other jurisdiction in which such corporation has its principal places of business. A report of the amount of tax paid, together with such other information relative thereto as the Commissioners may require, shall be made to the Commissioners as a condition for an exclusion.

"d. No foreign corporation shall be entitled under this paragraph to an exclusion from gross income unless the laws of each State or jurisdiction (other than the District) in which such foreign corporation is engaged in investing in loans secured by real estate provide to similar corporations incorporated under the laws of the District of Columbia substantially the same benefits as are afforded to foreign corporations by this paragraph."

SEC. 2. Section 99 of the District of Columbia Business Corporation Act (D.C. Code, sec. 29-933) is amended by adding at the end thereof the following new subsections:

"(c) No foreign corporation whose only income earned within the District of Columbia is excludable from gross income under paragraph 17 of section 2(b) of title III of the District of Columbia Income and Franchise Tax Act of 1947, as amended (D.C. Code, 47-1557a(b)), shall be subject to the provisions of this Act.

"(d) Nothing in subsection (c) of this section shall be construed as affecting the amenability of any foreign corporation to the service of any process, notice, or demand to which such corporation would be amenable without reference to the provisions of such subsection (c).

"(e) (1) Any foreign corporation exempt under subsection (c) of this section shall be deemed to have waived any immunity to service of process and suit in the courts of the District of Columbia. Any such foreign corporation shall appoint and maintain in the District of Columbia an agent for service of process, and shall register with the Commissioners of the District of Columbia the address of its principal office and the name and address of its agent for service of process in the District of Columbia, including any changes in such addresses.

"(2) Whenever any such foreign corporation does not have an agent for service of process or such agent cannot be found with reasonable diligence at his registered address, then the Commissioners of the District of Columbia shall be the agent for service of process for such corporation. Service of process on the Commissioners shall be made by delivery to, and leaving with them, or with any person having charge of their office duplicate copies of the process. In the event of such service the Commissioners shall immediately cause one of such copies to be forwarded by registered or certified mail, addressed to such foreign corporation at its principal office as it appears on the records of the Commissioners. Any such service shall be returnable in not less than 30 days, unless the rules of the court issuing such process prescribe another period, in which case such prescribed period shall govern.

"(3) Nothing contained in this subsection shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served on a foreign corporation in any other manner now or hereafter permitted by law.

"(4) Any foreign corporation which fails to comply with the requirements of paragraph (1) of this subsection shall be guilty of a misdemeanor and shall be fined not more than \$500.

"(5) The Commissioners of the District of Columbia are authorized to make such rules and regulations as may be necessary to carry out the purpose of this subsection."

SEC. 3. The amendment made by the first section of this Act shall take effect with respect to taxable years beginning on and after December 31, 1962.

The amendments were agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

MR. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 2106), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The twofold purpose of this bill, as amended, is (1) to exempt income derived by foreign corporations from real estate loans made in the District of Columbia, from the District of Columbia income and franchise tax, and (2) to provide that the typical transactions connected with such loans do not constitute "doing business" within the District of Columbia.

Prior to the introduction of H.R. 8074, there was considerable uncertainty among mortgage bankers and brokers as to whether or not a foreign corporation performing only those activities outlined in the bill, was subject to the District of Columbia business corporation law, or Income and Franchise Act.

As a result of this uncertainty, a number of savings institutions—particularly the New York saving banks—would not run the risk of making mortgage loans in the District for

fear that they would be subject to double taxation on the income from such loans and that they would be required to comply with the provisions of the District of Columbia Business Corporation Act.

Testimony taken before the Judiciary Subcommittee of this committee tends to establish a need to encourage foreign lenders to make money available within the District of Columbia for financing urban renewal and general building activities. The District of Columbia Bankers' Association and the Mortgage Bankers' Association of Washington both testified in favor of the bill and cited the need to encourage participation of foreign lenders in District building activities.

It therefore seems apparent that if new capital is to be attracted to the District of Columbia, the uncertainty of District law must be cleared up, and the possibility of taxation in two jurisdictions ended.

After H.R. 8074 passed the House of Representatives, one of the members of this committee obtained an opinion from the office of the Corporation Counsel of the District of Columbia, as to whether such a foreign corporation performing the activities in the bill would be subject to the tax and corporate laws of the District of Columbia. The following language, quoted from this opinion, summarizes the Corporation Counsel's viewpoint:

"As a consequence, it is my opinion that a foreign corporation engaging in a consistent pattern of activity as described in the bill would be liable for District franchise taxes in the absence of the exemption proposed in the bill."

Subsequent to this opinion, the Commissioners of the District of Columbia withdrew their prior opposition to the enactment of H.R. 8074, providing the measure be amended so as to require compliance with certain conditions believed necessary in the interest of the District of Columbia. The proposed amendments offered by the Commissioners were agreed to by the committee and are incorporated in the bill as reported. The amendments are explained in a letter addressed to the chairman of the committee from the Board of Commissioners dated July 17, 1962, which is hereby made a part of this report:

JULY 17, 1962.

HON. ALAN BIBLE,
Chairman, Committee on the District of Columbia, U.S. Senate, Washington, D.C.

MY DEAR SENATOR BIBLE: On August 28, 1961, the Commissioners submitted a report to this committee on H.R. 8074 entitled an "Act to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business and Corporation Act, as amended, with respect to certain foreign corporations."

In their report the Commissioners expressed their opposition to the enactment of H.R. 8074 and, in addition, requested an amendment in the event the bill received favorable consideration. Since submitting their report of August 28, 1961, the Commissioners have reconsidered their position and have reached the conclusion that they will not oppose enactment of H.R. 8074, provided the act is amended so as to require compliance with certain conditions the Commissioners believe are necessary in the interest of the District of Columbia.

The Commissioners are of the opinion that foreign lending corporations conducting activities within the District in accordance with the provisions of H.R. 8074 should not be exempt under the District of Columbia Income and Franchise Tax Act of 1947, as amended, but instead, such corporations should be entitled only to exclude from gross income under the Income and Franchise Tax Act of 1947, the income derived by such corporations as a consequence of their activities in the District under H.R. 8074.

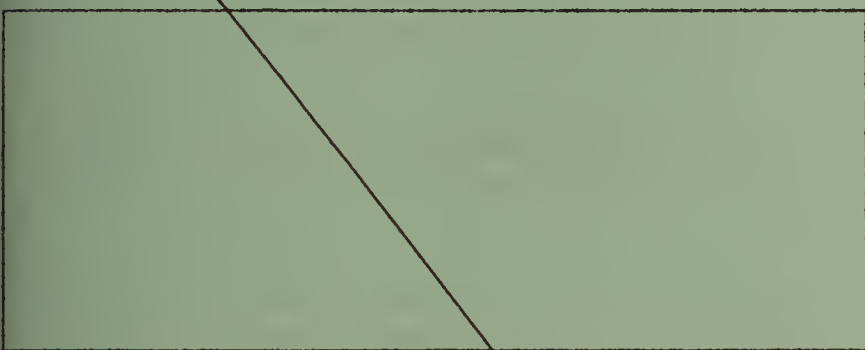
Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Sept. 27, 1962
For actions of Sept. 28, 1962
87th-2d, No. 174



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HIGHLIGHTS: Rep. Latta criticized farm program. Rep. Hall inserted his recommendations for farm program. Received from this Department proposed bill for additional Assistant Secretary. Senate continued debate on pay bill. Sen. Humphrey discussed problems of foreign trade. Senate subcommittee voted to report public works appropriation bill. Conferees agreed to file conference report on foreign trade bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1963. The "Daily Digest" states that "Conferees met in executive session on certain amendments in disagreement between the Senate and House on H. R. 12648, fiscal 1963 appropriations for the Department of Agriculture, but did not resolve these differences, and recessed subject to call." p. D897
2. ASSISTANT SECRETARY. Received from this department a proposed bill "to establish an additional office of Assistant Secretary of Agriculture"; to Agriculture Committee. p. 19800
3. GOVERNMENT OPERATIONS. The Government Operations Committee issued a report pertaining to contract operations (H. Rept. 2480), and a report pertaining to decentralizing Federal activities (H. Rept. 2481). p. 19800
4. FARM PROGRAM. Rep. Latta criticized the farm program saying, "this latest administration concoction for American agriculture seeks to lure farmers into its 1963 program ... hoping to keep them there until 1964 when it lowers the boom

on them as well as the consuming public." p. 19780

Rep. Hall inserted the recommendations of a farm advisory council appointed by him to study the farm problem in his district. pp. 19781-3

5. APPROPRIATIONS. The Appropriations Committee was granted permission to submit for immediate consideration a further continuing resolution on Friday, Sept. 28. p. 19702
6. EMPLOYMENT. Rep. Curtis, Mo., inserted an editorial, "Creating Jobs--Federal Role Should be to Smooth Way for Private Enterprise." pp. 19776-80
7. FOREIGN TRADE. The "Daily Digest" states that "Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of H. R. 11970, proposed Trade Expansion Act of 1962." p. D897
8. WATERSHEDS. The "Daily Digest" states that the Agriculture Committee "Met in executive session and approved the following watershed projects: Anasco River, P.R.; Bayou Folse, La.; Bee Creek, Kans.; Big Indian Creek, Nebr.; Big Muddy Creek, Ky.; Big Wyacondah, Iowa; Crooked Bayou, Ark.; Duncan Creek, S.C.; Hardin Creek, Tenn.; Kaercher Creek, Pa.; Lattas Creek, Ind.; Line Creek, Tenn.; Lower Forest River, N. Dak.; Middle Caney, Kans.; Neshobe River, Vt.; Saltlick Creek, W. Va.; Stucker Fork, Ind.; Upper Bogue Phalia, Miss.; Upper Quaboag River, Mass.; West Fork of Pond River, Ky.; and Silver Creek, Kans. Passed over without prejudice the Big Creek, Tex., project." p. D896
9. PERSONNEL. Rep. Beckworth inserted a table of temporary employment in selected Government agencies, summer 1959, and criticized current practices. pp. 19754-6
Rep. Lane commended pay raise for Federal employees. p. 19762
10. FISHERIES. The Subcommittee on Merchant Marine of the Merchant Marine and Fisheries Committee voted to report to the full committee with amendment H. R. 12968, to amend Sec. 901(b) of the Merchant Marine Act, 1936, to eliminate certain time limitations. p. D896

SENATE

11. PERSONNEL. Continued debate on H. R. 7927, the Federal pay and postal rate bill (pp. 19595-7, 19661-74, 19683-97). As reported by the committee this bill includes provisions as follows: The President shall make an annual report to the Congress containing a comparison of Federal and private enterprise salary rates and such recommendations for revision of statutory salary schedules, salary structure, and compensation policy as he deems advisable. Whenever the President finds that salary rates in private enterprise for an occupation in one or more areas are so substantially above Federal salary rates as to handicap the Government in recruiting and retaining personnel, the President may establish higher minimum rates of pay for the occupation concerned. Contains the revised compensation schedules for the general schedule of the Classification Act and the conversion rules for the two phases of the salary adjustment plan which would become effective on enactment and on January 1, 1964. Provides for periodic within grade increases at all grades for those who have not reached the top step in the grade following the completion of (1) 52 calendar weeks of service in salary rates 1, 2, and 3, (2) 104 calendar weeks of service in salary rates 4, 5, and 6, and (3) each 156 calendar weeks of service in salary rates 7, 8, and 9. Authorizes additional step increases in recognition of high quality performance above that ordinarily found in the type of position concerned. When an employee is promoted to a position in a higher grade he

COMMITTEE BUSINESS

Committee on Science and Astronautics: Met in executive session regarding committee business. No announcements were made.

PENSION PROGRAM

Committee on Veterans' Affairs: Continued hearings on operation of the non-service-connected pension program, and heard testimony from Veterans' Administration officials.

Joint Committee Meetings

TRADE EXPANSION

Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of H.R. 11970, proposed Trade Expansion Act of 1962.

APPROPRIATIONS—AGRICULTURE

Conferees met in executive session on certain amendments in disagreement between the Senate and House on H.R. 12648, fiscal 1963 appropriations for the Department of Agriculture, but did not resolve these differences, and recessed subject to call.

BILLS SIGNED BY THE PRESIDENT

New Laws

(For last listing of public laws, see DIGEST, p. D879, September 21, 1962)

H.R. 9728, authorizing an increase in the annual appropriation under the Cooperative Forest Management Act. Signed September 25, 1962 (P.L. 87-680).

H.R. 5393, proposing several technical amendments to the Bankruptcy Act. Signed September 25, 1962 (P.L. 87-681).

H.R. 6413, to extend to fishermen the same treatment accorded farmers in relation to estimated income tax. Signed September 25, 1962 (P.L. 87-682).

H.R. 9954, to add the Administrator of the National Capital Transportation Agency to the National Capital Planning Commission. Signed September 25, 1962 (P.L. 87-683).

H.R. 12870, fiscal 1963 appropriations for military construction. Signed September 25, 1962 (P.L. 87-684).

S. 3064, to remove the limitation of \$1.5 million for annual appropriations to maintain the national survey of forest resources. Signed September 25, 1962 (P.L. 87-685).

S. 2357, providing for the regulation of credit life insurance and credit accident and health insurance in the D.C. Signed September 25, 1962 (P.L. 87-686).

S. 2696, correcting certain land description errors in the act declaring that the U.S. hold in trust public lands for certain Indian tribes. Signed September 25, 1962 (P.L. 87-687).

H.R. 10062, to extend the application of certain laws to American Samoa. Signed September 25, 1962 (87-688).

H.R. 9280, to give the Secretary of the Interior discretionary authority to sell by negotiation rather than by competitive bid when in the best interest of the Government. Signed September 25, 1962 (P.L. 87-689).

H.R. 12459, to provide for the relief of certain enlisted members of the Coast Guard. Signed September 25, 1962 (P.L. 87-690).

S. 3317, to expedite disposal of personal property coming into the custody of the Metropolitan Police clerk. Signed September 25, 1962 (P.L. 87-691).

S. 1130, authorizing grants for improving health services for domestic agricultural migratory workers. Signed September 25, 1962 (P.L. 87-692).

H.R. 298, providing for the recovery by the Government of the value of hospital care furnished to an individual tortiously injured by a third party. Signed September 25, 1962 (P.L. 87-693).

H.R. 12689, to abolish the position of Commissioner of Deeds in the D.C. Signed September 25, 1962 (P.L. 87-694).

S. 1161, authorizing the Fort Berthold Indians, North Dakota, to graze stock on certain lands purchased by the U.S. for the Garrison Dam project. Signed September 25, 1962 (P.L. 87-695).

S. 2971, donating 7 acres of Federal land within the reservation to the Jicarilla Tribe, New Mexico. Signed September 25, 1962 (P.L. 87-696).

S. 3086, providing for a reduction in the workweek of the D.C. Fire Department. Signed September 25, 1962 (P.L. 87-697).

S. 1924, to provide that stock held by mixed-blood members of the Ute Indian tribe will not be subject to mortgage, pledge, etc. Signed September 25, 1962 (P.L. 87-698).

S. 1307, to constitute Richland, Wash., as place of holding court for the eastern district of Washington. Signed September 25, 1962 (P.L. 87-699).

S. 3315, to relieve owners of abutting property from certain assessments for repair of alleys and sidewalks in the D.C. Signed September 25, 1962 (P.L. 87-700).

H.R. 11974, to authorize appropriations for the Atomic Energy Commission. Signed September 26, 1962 (P.L. 87-701).

S.J. Res. 133, to provide for the coining of a medal in recognition of the services of former Speaker Sam Rayburn. Signed September 26, 1962 (P.L. 87-702).

COMMITTEE MEETINGS FOR THURSDAY, SEPTEMBER 27

(All meetings are open unless otherwise designated)

Senate

Committee on Appropriations, full committee, executive, to continue markup on H.R. 12276, fiscal 1963 appropriations for the D.C., to be followed by executive markup on H.R. 13175, fiscal 1963 appropriations for foreign aid, 10 a.m., 1223 New Senate Office Building.

Subcommittee, executive, to mark up Department of Commerce items in H.R. 12580, 2 p.m., room F-37, Capitol.

Subcommittee, executive, to mark up State and Justice Departments items in H.R. 12580; 3:30 p.m., room F-37, Capitol.

Committee on Banking and Currency, Subcommittee on Housing, on H.R. 13044, relating to investment by Federal savings and loan associations in multifamily housing, 10 a.m., to be followed by executive meeting on this bill, 10 a.m., 5302 New Senate Office Building.

Committee on the District of Columbia, Subcommittee on Business and Commerce, on H.R. 13163, proposed D.C. Redevelopment Act amendments, 9:45 a.m., 6226 New Senate Office Building.

Committee on the Judiciary, executive, on H.R. 8140, to strengthen the criminal laws relating to bribery, graft, and conflicts of interests, 10:30 a.m., 2300 New Senate Office Building.

Committee on Public Works, Subcommittee on Flood Control—Rivers and Harbors, executive, to consider projects pro-

posed to be included in the omnibus flood control bill, to be followed by executive session of the full committee to consider this matter, 10 a.m., 4200 New Senate Office Building.

House

Committee on Armed Services, Subcommittee on Real Estate, executive, on Army and Navy real estate projects, 10 a.m., 304 Old House Office Building.

Committee on Education and Labor, executive, on pending legislation, 9:45 a.m., 429 Old House Office Building.

Committee on Government Operations, Subcommittee on Intergovernmental Relations, executive, on pending business, 10 a.m., 100-B George Washington Inn.

Committee on Merchant Marine and Fisheries, executive, on pending legislation, 10 a.m., 219 Old House Office Building.

Committee on Public Works, executive, on the omnibus rivers and harbors and flood control bill, 10 a.m., 1302 New House Office Building.

Committee on Science and Astronautics, Subcommittee on Applications, on communication satellite program, 10 a.m., 214-B New House Office Building.

Joint Committee

Joint Committee on Atomic Energy, to hold hearings on proposed arrangements between the AEC and Washington Public Power Supply System and Bonneville Power Administration to construct electric generating facilities at the Hanford New Production Reactor, 2 p.m., room AE-1, Capitol.



Congressional Record

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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
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Issued Oct. 3, 1962
For actions of Oct. 2, 1962
87th-2d, No. 179

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HIGHLIGHTS: House received conference report on agricultural appropriation bill. House received conference report on foreign trade bill. Both Houses agreed to conference report on tax bill. Conferees agreed to file report on pay bill. Senate passed bills to: Amend Food and Agriculture Act re 15-acre wheat exemption for 1963 crop; Increase limitation on FHA loans. Both Houses received and Senate agreed to conference report on school lunch fund apportionment bill. Senate passed foreign aid appropriation bill. Senate committee reported bill for holding World Food Congress.

HOUSE

1. **AGRICULTURAL APPROPRIATION BILL, 1963.** Received the further conference report on amendments in disagreement on this bill, H. R. 12648 (H. Rept. 2514). All amendments previously reported in disagreement were still reported in disagreement (pp. 20596, 20650). Attached to this Digest is a copy of the conference committee report.
2. **APPROPRIATIONS.** Conferees were appointed on H. R. 12900, the public works appropriation bill. Senate conferees have already been appointed. p. 20568
The Appropriations Committee was granted permission to file conference reports at any time. p. 20568

3. PUBLIC WORKS. The Rules Committee reported a resolution for the consideration of H. R. 13273, the public works authorization bill. p. 20650
4. PERSONNEL. The "Daily Digest" states that "Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of H. R. 7927, providing for postal rate increases and increases in Federal employees' salaries." p. D929
The Post Office and Civil Service Committee reported with amendment H. R. 9531, to amend the law relating to pay for postal employees (H. Rept. 2509). p. 20650
Concurred in the Senate amendment to the House amendment to S. 2697, to amend title 38, U.S.C., to provide an extension of the period within which certain educational programs must be begun and completed in the case of persons called to active duty during the Berlin crisis. This bill will now be sent to the President. p. 20569
Received from Treasury a report of the operations by Federal departments and establishments in connection with the bonding of officers and employees. p. 20650.
5. WATERSHEDS. The Agriculture Committee approved the work plans for the following watersheds: Anasco River, P. R.; Bayou Folse, La.; Bee Creek, Kan.; Big Indian Creek, Neb.; Big Muddy Creek, Ky.; Big Wyacondah, Iowa; Crooked Bayou, Ark.; Duncan Creek, S. C.; Hardin Creek, Tenn.; Kaercher Creek, Penn.; Lattas Creek, Ind.; Line Creek, Tenn.; Lower Forest River, N. Dak.; Middle Caney, Kan.; Neshobe River, Vt.; Saltlick Creek, W. Va.; Stucker Fork, Ind.; Upper Bogue Phalia, Miss.; Upper Quaboag River, Mass.; West Fork of Pine River, Ky.; and Silver Creek, Kan. p. 20571
6. TAXATION. Both Houses agreed to the conference report on H. R. 10650, the proposed Revenue Act of 1962. This bill now be sent to the President. See Digest No. 150 for items of interest. pp. 20547-65, 20580-92
7. FOREIGN TRADE. Received the conference report on H. R. 11970, the proposed Trade Expansion Act of 1962 (H. Rept. 2518). pp. 20597-601, 20650
The Ways and Means Committee reported with amendment H. R. 12109, to amend the Tariff Act of 1930 to permit certain natural grasses and other natural materials to be imported free of duty (H. Rept. 2516). p. 20650
8. DRUGS. The "Daily Digest" states that "Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House-passed versions of S. 1552, proposed Drug Industry Antitrust Act." p. D929
9. LEGISLATIVE PROGRAM. Rep. Albert announced that the following bills will be considered on Wed.: H. R. 13290, the supplemental appropriation bill; H. R. 13273, the public works authorization bill; S. 1123, to extend certain child labor provisions of the Fair Labor Standards Act to children employed in agriculture; and the conference report on H. R. 11665, the school lunch fund apportionment bill. He further announced that the conference report on the proposed Trade Expansion Act of 1962 will be considered on Thurs. p. 20616

SENATE

10. WHEAT. Passed without amendment H. R. 13241, to amend Sec. 309 of the Food and Agriculture Act of 1962 so as to provide that a farm marketing quota on the 1963 crop of wheat shall be applicable to any farm on which acreage of wheat planted exceeds the smaller of 15 acres or the highest number of acres planted to wheat on the farm in calendar years 1959, 1960, 1961, or 1963, (instead of 1959, 1960, or 1961). This bill will now be sent to the President. p. 20492

DEPARTMENT OF AGRICULTURE AND RELATED
AGENCIES APPROPRIATION BILL, 1963

OCTOBER 2, 1962.—Ordered to be printed

Mr. WHITTEN, from the committee of conference, submitted the
following

CONFERENCE REPORT

[To accompany H.R. 12648]

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement amendments numbered 1, 2, 6, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,

Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,

Managers on the Part of the Senate.

passed the House was omitted from the Senate amendment, since it could not be precisely determined and applied in an arithmetical formula.

The essential differences between the Senate amendment and the House bill are (1) that under the Senate amendment the funds would have been apportioned among the States solely on the basis of a mathematical formula, whereas under the House bill the funds were to be apportioned on the basis of certain enumerated factors with no specific mathematical formula prescribed, and (2) under the House bill there would have been only one apportionment of funds among the States, whereas under the Senate amendment, provision was made for reapportionments to the States of funds not needed by States from the original or subsequent apportionments and of funds not included in the initial apportionment by the Secretary of Agriculture. The House recedes with an amendment which is substantially the same as the Senate amendment. It changes the Senate amendment in two minor respects. The first of these changes makes it clear that State eligibility for additional special assistance funds shall be based on the needs of eligible schools. The second change makes it clear that the maximum per lunch amount limit on any school's share of special assistance funds shall be a uniform limit for all States.

ADAM C. POWELL,
CLEVELAND M. BAILEY,
JOHN BRADEMAS,
JAMES G. O'HARA,
CARROLL D. KEARNS,
PETER FRELINGHUYSEN, Jr.,
ALBERT H. QUIE,

Managers on the Part of the House.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES AP- PROPRIATIONS, 1963

Mr. WHITTEN submitted the following conference report and statement on the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes:

CONFERENCE REPORT No. 2514

The Committee of Conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement amendments numbered 1, 2, 6, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,

Managers on the part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department

of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE

The amendments numbered 1, 2, 6, 19, 44, and 47 through 54 are reported in disagreement.

Watershed protection

The funds for watershed protection include \$7,400,000 for planning and surveys, \$5,500,000 for the planning of watersheds, and \$1,900,000 for river basin surveys. This will permit continuation of watershed planning at the 1962 level and initiation of surveys in all of the river basins proposed by the Budget.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,

Managers on the Part of the House.

PROVIDING COMPENSATION FOR CERTAIN WORLD WAR II LOSSES

Mr. MACK submitted the following conference report and statement on the bill (H.R. 7283) to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses:

CONFERENCE REPORT (H. REPT. No. 2513)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7283) to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 7, 8, and 9.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 10, 11, 12, 13, 14, 15, 17, and 18, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the House numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(2), and thereafter of any award made pursuant to section 202(a) to any claimant certified to the Commission by the Small Business Administration as having been, on the date of loss, damage, or destruction, a small business concern within the meaning now set forth in the Small Business Act, as amended."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 206. At the end of the Act, as amended, add the following new section:

"SEC. 41. (a) Notwithstanding any statute of limitation, lapse of time, any prior decision by any court of the United States, or any compromise, release or assignment to the Alien Property Custodian, jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and report to the Congress concerning the claims against the United States for the proceeds received by the United States from the sale

of the property vested under the provisions of the Trading With the Enemy Act by vesting order numbered 33 relating to certificate numbers 104 to 121, inclusive, 125, 126, 128 to 134, inclusive, and 137 to 139, inclusive. Proceedings with respect to such claims may be instituted hereunder not later than one year after the date of the enactment of this Act.

"(b) As used in this section the word "copyrights" includes copyrights, claims of copyrights, rights to copyrights, and rights to copyright renewals.

"(c) All copyrights vested in the Alien Property Custodian or the Attorney General under the provisions of this Act subsequent to December 17, 1941, which have not been returned or otherwise disposed of under this Act, except copyrights vested by vesting orders 128 (7 F.R. 7578), 13111 (14 F.R. 1730), 14349 (15 F.R. 1575), 17366 (16 F.R. 2483), and 17952 (16 F.R. 6162) and copyrights vested with respect to the motion picture listed last in exhibit A of vesting order 11803, as amended (13 F.R. 5167, 15 F.R. 1626), are hereby divested as a matter of grace effective the ninety-first day after the date of enactment of this section, and the persons entitled thereto shall on that day succeed to the rights, privileges, and obligations arising out of such copyrights, subject, however, to—

"(1) the rights of licensees under licenses issued by the Alien Property Custodian or the Attorney General in respect of such copyrights;

"(2) the rights of assignees under assignments by the Alien Property Custodian or the Attorney General of interests in such licenses; and

"(3) the right retained by the United States to reproduce, for its own use, or exhibit any divested copyrighted motion picture films.

The rights and interests remaining in the Attorney General under licenses issued by him or by the Alien Property Custodian in respect to copyrights divested hereunder are hereby transferred, effective the day of divestment, to the persons entitled to such copyrights: *Provided*, That all unpaid royalties or other income accrued in favor of the Attorney General under such licenses prior to the day of divestment shall be paid by the licensees to the Attorney General.

"(d) All rights or interests vested in the Alien Property Custodian or the Attorney General under the provisions of this Act subsequent to December 17, 1941, arising out of prevesting contracts entered into with respect to copyrights, except—

"(1) royalties or other income received by or accrued in favor of the Alien Property Custodian or the Attorney General under such contracts;

"(2) rights or interests which have been returned or otherwise disposed of under this Act; and

"(3) rights or interests vested by vesting orders 128 (7 F.R. 7578), 13111 (14 F.R. 1730), 14349 (15 F.R. 1575), and 17366 (16 F.R. 2483),

are hereby divested as a matter of grace, effective the ninety-first day after the date of enactment of this section, and the persons entitled to such rights or interests shall succeed thereto, subject to the right of the Attorney General to collect and receive all unpaid royalties or other income accrued in his favor under such prevesting contracts prior to the day of divestment.

"(e) Nothing in this section shall be construed to transfer to a person entitled to a copyright divested hereunder the right of the Attorney General to sue for the infringement of such copyright during the period between (1) the vesting thereof or the vesting of rights and interests in a contract entered into with respect thereto, and (2) the day of divestment. The right to sue for

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Oct. 5, 1962

For actions of Oct. 4, 1962

87th-2d, No. 181

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HIGHLIGHTS: Senate passed USDA appropriation continuation measure for fiscal year 1963. Both Houses agreed to conference report on foreign trade bill. House insisted on amendments in disagreement on agricultural appropriation bill. Senate agreed to conference report on pay bill. Sen. Russell objected to consideration of supplemental appropriation bill. Senate passed roads bill. Sen. Morse commended Secretary Freeman's speech on forestry. Senate passed public works authorization bill. Senate received International Coffee Agreement. House passed bill for holding World Food Congress. Rep. Wilson, Ind., commended ASC committeemen. House agreed to conference report on school lunch fund apportionment bill. Sen. Mansfield and Rep. Cooley reviewed legislative accomplishments in farm legislation.

SENATE

1. **AGRICULTURAL APPROPRIATIONS.** Passed without amendment S. J. Res. 234, an appropriation continuation measure for this Department authorizing appropriations for fiscal year 1963 for "projects or activities which were conducted in the fiscal year 1962 by the Department of Agriculture, including the corporations therein, and the Farm Credit Administration, at a rate for operations not in excess of the current rate (amount appropriated or authorized to be expended in the fiscal year 1962) or the rate provided for in the budget estimate (amount estimated to be appropriated or estimated to be expended in the fiscal year 1963) whichever is lower, except that the 1963 Agricultural Conservation Program shall not exceed \$250,000,000." Sen. Russell stated,

"I think it is prudent that the Senate pass the continuing resolution at this time, in the eventuality that it is impossible for the conferees to reach agreement on the regular appropriation bill." This measure had been reported by the Appropriations Committee earlier in the day (S. Rept. 2277). pp. 21014-5

2. FOREIGN TRADE. Both Houses agreed to the conference report on H. R. 11970, the foreign trade bill (by a vote of 256 to 91 in the House; no record vote in the Senate) (pp. 20997-21008, 21097-125). This bill will now be sent to the President. The conferees agreed to an amendment requiring the President to impose duties or other import restrictions on the products of any foreign country establishing and maintaining foreign import restrictions against U.S. agricultural products, notwithstanding any provision of any trade agreement under the bill and to the extent he deems necessary and appropriate, in order to prevent the establishment or obtain the removal of foreign import restrictions and to provide access of U. S. agricultural products to the markets of such foreign country. Also, agreed to an amendment of the Senate providing that Sec. 22 of the Agricultural Adjustment Act and import restrictions imposed thereunder shall be unaffected by this bill.
3. PERSONNEL. Agreed to the second conference report on H. R. 9727, the Federal pay and postal-rate increase bill, ^{after the bill} had been returned to conference earlier for further consideration (pp. 21017-20, 21053). The conferees struck out a provision in the bill which would have provided that retirement increases for retired employees could be paid out of the civil service retirement fund notwithstanding the provisions of Public Law 85-844.
Passed without amendment S. 3459, to authorize the appointment of one additional Secretary of State. p. 21057
The Post Office and Civil Service ^{Committee} voted to report (but did not actually report) H. R. 5698, to extend the apportionment requirement of the Civil Service Act to temporary summer employment. p. D939
4. SUPPLEMENTAL APPROPRIATIONS. Sen. Russell objected to the second reading of H. R. 13290, the supplemental appropriation bill for 1963, thus delaying consideration of the bill for one day (p. 20956). The Appropriations Committee voted to report this bill earlier in the day (p. D939).
5. PUBLIC WORKS. Passed with amendments H. R. 13273, the public works authorization bill for rivers and harbors and flood control projects (pp. 20958-996). Senate conferees were appointed (p. 20996). Agreed to an amendment by Sen. Hartke providing for the establishment of a Wabash Basin Interagency Water Resources Commission (pp. 20992-3). Consideration of a similar bill S. 3773 was indefinitely postponed (p. 20996).
6. ROADS. Passed with amendments H. R. 12135, the roads authorization bill for 1964 and 1965 (pp. 21011-4, 21016-7, 21020-3). Both Houses appointed conferees (pp. 21023, 21183). This bill includes authorizations for forest highways of \$33 million for fiscal years 1964 and 1965, and for forest development roads and trails of an additional \$20 million for fiscal year 1963 to bring the total authorization for that year to \$60 million, \$70 million for 1964, and \$85 million for 1965 (as compared to the present level of \$40 million).
7. FORESTRY. Sen. Morse inserted and commended Secretary Freeman's speech on the national forestry program before the Membership Conference of the Western Pine Association. pp. 21084-7

8. LEGISLATIVE ACCOMPLISHMENTS. Sen. Mansfield inserted a summary of significant legislative accomplishments during the 87th Congress, including those in the field of agriculture. pp. 21031-52
9. COFFEE. Received from the President for ratification the International Coffee Agreement for 1962. p. 20930
10. ELECTRIFICATION. Received from the Federal Power Commission a copy of a publication, "Typical Electric Bills, 1962." p. 20930
11. LOANS. Passed without amendment S. 3024, to extend the maximum maturity of Veterans' Administration guaranteed or insured loans from 30 to 35 years. p. 21064
12. INSPECTION; BRIDGES. The Foreign Relations Committee reported with amendments H.R. 683, to authorize the Donna-Rio Bravo Bridge Co. to construct a bridge across the Rio Grande river near Donna, Tex. (S. Rept. 2278). p. 20931
13. HEALTH; VACCINATIONS. Passed without amendment H. R. 10541, the proposed Vaccination Assistance Act of 1962. This bill will now be sent to the President. p. 21011
14. FOREIGN AID. Sen. Proxmire criticized a provision in the foreign aid appropriation bill giving the President discretion to extend aid to Yugoslavia and inserted several items. pp. 21029-30
Sen. Humphrey urged support for Senate amendments increasing appropriations for the foreign aid program. pp. 21081-2
15. WILDLIFE. Passed with amendment H. J. Res. 489, to provide for protection of the golden eagle. pp. 21091-5
16. FARM LABOR. Sen. Humphrey inserted and commended an article praising passage of legislation to provide health clinics and other health service for migratory workers. pp. 21080-1

HOUSE

17. AGRICULTURAL APPROPRIATION BILL, 1963. Acted on amendments in disagreement on this bill, H. R. 12648 (pp. 21136-9). Receded from disagreement to Senate amendment No. 1, deleting provision for acquisition of sites by ARS by donation, exchange, or purchase at a nominal cost not to exceed \$100 (p. 21136). By a vote of 339 to 5, agreed to Senate amendment No. 2 with an amendment providing funds for ARS for research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services (pp. 21136-9). Concurred in Senate amendment No. 6, to delete provision of \$760,000 for ARS for construction of facilities and acquisition of the necessary land therefor by purchase, donation, or exchange (p. 21139). Insisted on disagreement to all other amendments formerly reported in disagreement (p. 21139).
18. FOOD CONGRESS. Passed without amendment S. 3679, authorizing an appropriation to enable the U. S. to extend an invitation to the Food and Agriculture Organization of the U. N. to hold a World Food Congress in the U. S. in 1963. This bill will now be sent to the President. A similar bill, H. R. 13307, was tabled. pp. 21131-2

19. PERSONNEL. Concurred in the Senate amendments to H. R. 8140, to strengthen the criminal laws relating to bribery, graft, and conflicts of interest. This bill will now be sent to the President. pp. 21130-1
20. ELECTRIFICATION. Concurred in the Senate amendment to H. R. 10708, to amend the Rural Electrification Act of 1936, so as to authorize REA to finance communication facilities for the transmission of sounds, signals, pictures, writing, or signs as well as voice. This bill will now be sent to the President. p. 21133
21. SCHOOL LUNCH PROGRAM. By a vote of 257 to 81, agreed to the conference report on H. R. 11665, to amend the National School Lunch Act so as to revise the formula for apportioning cash assistance funds to the States. This bill will now be sent to the President. (See Digest 179 for a summary.) pp. 21155-7
22. PUBLIC WORKS APPROPRIATION BILL, 1963. Received the conference report on this bill, H. R. 12900 (H. Rept. 2531) (pp. 21184-92). As reported from conference, the bill includes \$400,000,000 for the accelerated public works program. The Senate report on this bill includes the following statements:

"The authorizing legislation contains restrictions on the amounts of money that can be received by areas. Specifically, the act provides that at least \$300 million of the \$900 million authorized must be allocated for projects in areas designated under section 5(b) of the Area Redevelopment Act. In keeping with the provisions of the authorizing legislation, the committee desires that the funds appropriated in this act be prorated in accordance with the restrictions in the authorizing legislation."

"The committee notes that a large number of agencies will participate in the program, and in most instances their activity will represent a relatively modest increase in regular programs for which administrative funds have been or will be provided in the regular appropriations for such agencies. In a few cases, it is clear that additional administrative funds will be required. ...

"In view of the fact that the committee was unable to secure from the witnesses a specific program by agencies, it does not feel that it is feasible to establish specific amounts for administrative costs. However, the committee will expect the Bureau of the Budget to review all requests for allocations of administrative funds closely, and to assure that in no case are they in excess of amounts required for additional workload generated by the public works acceleration program, or disproportionately high as compared to the regular administrative costs of the programs increased or accelerated. In no case are these funds to be used merely to circumvent administrative expense limitations established in the various appropriation acts for these agencies."
23. FARM PROGRAM. Rep. Cooley reviewed the legislative accomplishments of the 87th Congress in farm legislation and said, "I have never known a Secretary of Agriculture who was a greater champion of farmers than Orville L. Freeman." pp. 21143-9
24. ASC COMMITTEES. Rep. Wilson, Ind., commended the ASC county committeemen saying, "I know of no more dedicated group of men than the 9,000 county committeemen and the 90,000 community committeemen throughout this Nation who are attempting ... to make democracy work." p. 21223
25. PATENTS. Concurred in the Senate amendments to H. R. 12513, to provide for public notice of settlements in patent interferences. This bill will now be sent to the President. pp. 21132-3

CONTINUING RESOLUTION ON APPROPRIATIONS FOR
THE DEPARTMENT OF AGRICULTURE AND THE FARM
CREDIT ADMINISTRATION

OCTOBER 4, 1962.—Ordered to be printed

Mr. RUSSELL, from the Committee on Appropriations, submitted the
following

R E P O R T

[To accompany S.J. Res. 234]

The Committee on Appropriations has given careful consideration to the continued difficulties encountered in reaching agreement in the conference committee on H.R. 12648, the regular appropriation bill for the Department of Agriculture and related agencies, 1963.

In view of the coming sine die adjournment of the 87th Congress, the committee believes it prudent to pass a continuing resolution in its usual form which will provide for the orderly operation of continuing projects or activities of the Department of Agriculture and Farm Credit Administration in the eventuality that it becomes impossible for the conference committees of both Houses on H.R. 12648 to reach a final agreement on certain amendments in disagreement for fiscal year 1963.



87TH CONGRESS
2^D SESSION

S. J. RES. 234

[Report No. 2277]

IN THE SENATE OF THE UNITED STATES

OCTOBER 4, 1962

Mr. RUSSELL, from the Committee on Appropriations, reported the following joint resolution; which was read twice, considered, read the third time, and passed

JOINT RESOLUTION

Making continuing appropriations for the Department of Agriculture and the Farm Credit Administration for the fiscal year 1963.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That there is appropriated out of any money in the Treasury
4 not otherwise appropriated, and out of the applicable cor-
5 porate and other revenue, receipts, and funds, such amounts
6 as may be necessary for continuing, during the fiscal year
7 1963, projects or activities which were conducted in the
8 fiscal year 1962 by the Department of Agriculture, includ-
9 ing the corporations therein, and the Farm Credit Adminis-
10 tration, at a rate for operations not in excess of the current

1 rate (amount appropriated or authorized to be expended in
2 the fiscal year 1962) or the rate provided for in the budget
3 estimate (amount estimated to be appropriated or estimated
4 to be expended in the fiscal year 1963) whichever is lower,
5 except that the 1963 Agricultural Conservation Program
6 shall not exceed \$250,000,000.

87TH CONGRESS
2d Session

S. J. RES. 234

[Report No. 2277]

JOINT RESOLUTION

Making continuing appropriations for the Department of Agriculture and the Farm Credit Administration for the fiscal year 1963.

By Mr. RUSSELL

OCTOBER 4, 1962

Read twice, considered, read the third time, and passed

preciate very much his kind words about the gentleman in the well of the House.

Mr. O'BRIEN of New York. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from New York.

Mr. O'BRIEN of New York. Mr. Speaker, I believe the conference report we are discussing today is the final outcome of one of the finest demonstrations of bipartisan activity I have seen since I have been in Congress. I have heard this bill referred to as a tough bill. I would suggest that a better reference would be a strong bill. We have given the Department of Health, Education, and Welfare many additional tools for the protection of the public safety, but we did not in giving them those tools destroy a great and wonderful industry.

We all know the atmosphere in which the committee sat down to forge this legislation. It would have been very easy to yield to panic or to hysteria, but I think that after all the hours of work and bipartisan activity we have come up with the perfect compromise, if you want to call it that, which enables our Government to protect its citizens and which also enables the drug industry to press on with the wonderful things it has done in the field of research.

I have referred to the bipartisan approach, but I think we have a strong bill because we have in the Committee on Interstate and Foreign Commerce a strong chairman. I think that after 9 hours of conference with the other body we have a very fine product, because the gentleman from Alabama presided over that conference not only with dignity but with complete reason. I think much of the credit for what we have here today should go to the gentleman from Alabama.

Mr. ROBERTS of Alabama. I thank the gentleman from New York. I appreciate his warm words as to my efforts in trying to iron out the differences in the two bills. I appreciate also the fine contribution he made in that effort.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield.

Mr. ROGERS of Florida. I want to join in the comments that have been made and strongly urge the adoption of this conference report. It is a good one. As has been stated before, it provides protection for the public where the public can have great confidence now, I think, as this bill is administered, in what they will buy in the drug field. More than ever before the tools that are provided in this legislation will certainly bring about that protection to the public.

Also, as was pointed out by the gentleman from New York, this is a bill that certainly is practical in its approach. I am sure the chairman will join me in saying that this Subcommittee on Health and Safety will watch the administration of this legislation very closely to see if it is administered in a practical and a proper manner, and to carry out the provisions of the bill as they should be carried out.

In conclusion, I want to commend the chairman of the full committee for his

fine leadership in this field, and particularly the chairman of our subcommittee, who has dealt so closely with this legislation and with similar legislation through the years. His leadership in the conference was particularly effective in getting out this conference report, which every Member of this Congress can be proud to support.

Mr. ROBERTS of Alabama. I thank the gentleman from Florida for his fine contribution and for his splendid abilities in the conference in working out the differences and reaching the compromise that brought this conference report to a vote in the House today.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from California.

Mr. YOUNGER. Mr. Speaker, as a member of the Committee on Interstate and Foreign Commerce, I want to congratulate both the chairman of the full committee and the chairman of the subcommittee for reporting such a fine bill. I think it is a strong bill now. We may have to amend it, or we usually find that after a bill becomes operative there are some features that may perhaps have to be strengthened.

I am especially pleased that the committee of conference wrote in and enlarged upon the definition of "brief summary," which was an amendment I accepted in lieu of the previous amendment which had been accepted by the committee. I, too, recommend the adoption of the conference report.

Mr. ROBERTS of Alabama. I thank the gentleman.

Mr. SCHENCK. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from Ohio.

Mr. SCHENCK. I should like to call the attention of the House to the fact that the chairman of the full Committee on Interstate and Foreign Commerce, the gentleman from Arkansas [Mr. HARRIS], has been very appropriately selected by Speaker McCormack to preside over the House at this time as Speaker pro tempore, in recognition of his work in our committee and on this particularly important bill.

I would just like to call to the attention of the Members of the House that this is a fine, appropriate, and fitting tribute to the gentleman from Arkansas.

Mr. ROBERTS of Alabama. Mr. Speaker, there has been some criticism voiced on the part of the good friends of the Food and Drug Administration with reference to the lack of liaison between it and the U.S. Public Health Service. I want to announce that under a bill which has been filed by the gentleman from Arkansas, the distinguished chairman of our committee, this question will be looked into after the beginning of the next session.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. HARRIS). The question is on agreeing to the conference report.

The question was taken.

Mr. ROBERTS of Alabama. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 347, nays 0, not voting 88, as follows:

[Roll No. 272]

YEAS—347

Abbott	Derwinski	Jonas
Abernethy	Devine	Jones, Ala.
Addabbo	Diggs	Judd
Albert	Dingell	Karsten
Alford	Dole	Karsh
Alger	Donohue	Kastenmeier
Andersen,	Dowdy	Keith
Minn.	Downing	Kelly
Anderson, Ill.	Doyle	Keogh
Andrews	Dulski	Kilgore
Arendt	Durno	King, Calif.
Ashbrook	Dwyer	King, N.Y.
Ashley	Edmondson	King, Utah
Ashmore	Elliott	Kirwan
Auchincloss	Ellsworth	Kitchin
Avery	Everett	Kluczynski
Ayres	Fallon	Knox
Bailey	Farbstein	Kornegay
Baker	Fascell	Kowalski
Baldwin	Feighan	Kunkel
Barling	Fenton	Kyl
Barrett	Findley	Landrum
Barry	Finnegan	Lane
Bass, N.H.	Fino	Langen
Bass, Tenn.	Fisher	Lankford
Bates	Flood	Latta
Battin	Flynt	Lennon
Becker	Fogarty	Lesinski
Beckworth	Ford	Libonati
Beermann	Forrester	Lindsay
Bennett, Fla.	Fountain	Lipscomb
Betts	Frazier	Loser
Boggs	Frelinghuysen	McCulloch
Boland	Friedel	McFall
Bolton	Fulton	McMillan
Bonner	Gallagher	McVey
Bow	Garmatz	Macdonald
Brademas	Gary	Mack
Bray	Gathings	Madden
Brewster	Gavin	Mahon
Brooks, Tex.	Glaimo	Mailliard
Broomfield	Gilbert	Marshall
Broyhill	Glenn	Martin, Mass.
Bruce	Gonzalez	Martin, Nebr.
Buckley	Goodell	Mason
Burke, Mass.	Goodling	Mathias
Burleson	Granahan	Matthews
Byrne, Pa.	Grant	May
Byrnes, Wis.	Gray	Meador
Cahill	Green, Oreg.	Merrill
Cannon	Green, Pa.	Miller, N.Y.
Carey	Griffin	Milliken
Casey	Gross	Mills
Cederberg	Gubser	Minshall
Callender	Hagan, Ga.	Monagan
Chamberlain	Hagen, Calif.	Montoya
Chen	Haley	Moore
Chenoweth	Halleck	Moorehead,
Church	Halpern	Ohio
Clancy	Harding	Moorehead, Pa.
Clark	Hardy	Morgan
Cohelan	Harris	Morrison
Collier	Harrison, Wyo.	Morse
Colmer	Harsha	Mosher
Conte	Harvey, Mich.	Moss
Cook	Healey	Multer
Cooley	Hechler	Murphy
Corbett	Hemphill	Murray
Corman	Henderson	Natcher
Cramer	Hoffman, Ill.	Nedzi
Cunningham	Holifield	Nelsen
Curtis, Mass.	Horan	Nix
Curtis, Mo.	Hosmer	Norblad
Daddario	Huddleston	Norrell
Dague	Hull	Nygaard
Daniels	Ichord, Mo.	O'Brien, N.Y.
Davis	Inouye	O'Hara, Ill.
James C.	Jarman	O'Hara, Mich.
Davis, John W.	Jennings	Olsen
Davis, Tenn.	Joelson	O'Neill
Dawson	Johansen	Osmer
Delaney	Johnson, Calif.	Osterlag
Dent	Johnson, Md.	Passman
Derounian	Johnson, Wis.	Patman

Pelly	Rousselot	Taber
Perkins	Rutherford	Taylor
Pfost	Ryan, Mich.	Teague, Calif.
Philbin	Ryan, N.Y.	Teague, Tex.
Pike	St. George	Thomas
Pilcher	St. Germain	Thompson, N.J.
Pillion	Santangelo	Thompson, Tex.
Pirnie	Saylor	Thomson, Wis.
Poage	Schadeberg	Toll
Poff	Schenck	Tollefson
Price	Schneebeli	Trimble
Pucinski	Schweiker	Tuck
Purcell	Schwengel	Tupper
Randall	Scott	Udall, Morris K.
Ray	Selden	Utt
Reece	Shelley	Vanik
Rcuss	Shriver	Waggonner
Rhodes, Ariz.	Sibal	Wallhauser
Rhodes, Pa.	Sikes	Walter
Riehlman	Sisk	Weaver
Riley	Slack	Westland
Rivers, Alaska	Smith, Calif.	Wharton
Rivers, S.C.	Smith, Iowa	Whitener
Roberts, Ala.	Smith, Miss.	Whitten
Roberts, Tex.	Smith, Va.	Wickersham
Robison	Spence	Widnall
Rodino	Springer	Wilson, Calif.
Rogers, Colo.	Stafford	Wilson, Ind.
Rogers, Fla.	Steed	Winstead
Rooney	Stephens	Young
Rosenthal	Stratton	Younger
Rostenkowski	Stubblefield	Zablocki
Roush	Sullivan	

NAYS—0

NOT VOTING—88

Adair	Hays	Quie
Alexander	Hébert	Rains
Anfuso	Herlong	Reifel
Aspinall	Hiestand	Rogers, Tex.
Belcher	Hoeven	Roosevelt
Bell	Hoffman, Mich.	Roudebush
Bennett, Mich.	Holland	Saund
Berry	Jensen	Scherer
Blatnik	Jones, Mo.	Scranton
Blich	Kearns	Seely-Brown
Bolling	Kee	Sheppard
Boykin	Kilburn	Shipley
Breeding	Laird	Short
Bromwell	McDonough	Siler
Brown	McDowell	Staggers
Burke, Ky.	McIntire	Thompson, La.
Chiperfield	McSween	Thornberry
Coad	MacGregor	Ullman
Curtin	Magnuson	Van Pelt
Denton	Michel	Van Zandt
Dominick	Miller, Clem	Vinson
Dooley	Miller,	Watts
Dorn	George P.	Weis
Evins	Moeller	Whalley
Garland	Morris	Williams
Griffiths	Moulder	Willis
Hall	O'Brien, Ill.	Wright
Hansen	O'Konski	Yates
Harrison, Va.	Peterson	Zelenko
Harvey, Ind.	Powell	

So the conference report was agreed to.
The Clerk announced the following pairs:

Mr. Hébert with Mr. Bell.
Mr. George P. Miller with Mr. Hiestand.
Mr. Herlong with Mr. Adair.
Mr. Shipley with Mr. Berry.
Mr. Staggers with Mr. Dominick.
Mr. Hays with Mr. Van Pelt.
Mr. Sheppard with Mr. Quie.
Mr. O'Brien of Illinois, with Mr. Short.
Mr. Anfuso with Mr. Brown.
Mr. Zelenko with Mr. O'Konski.
Mr. Roosevelt with Mr. Jensen.
Mr. Rains with Mr. Belcher.
Mr. Rogers of Texas with Mr. Reifel.
Mr. Watts with Mr. Laird.
Mr. Ullman with Mr. Kilburn.
Mr. Thompson of Louisiana with Mr. Bennett of Michigan.
Mr. Clem Miller with Mr. Scranton.
Mr. Peterson with Mr. Roudebush.
Mr. Evins with Mr. McIntire.
Mrs. Hansen with Mr. Hoeven.
Mr. Denton with Mr. Michel.
Mr. Alexander with Mr. MacGregor.
Mr. Wright with Mr. Harvey of Indiana.
Mr. Aspinall with Mr. Bromwell.
Mr. McDowell with Mr. Garland.
Mr. Williams with Mr. Curtin.

Mr. Willis with Mr. Siler.
Mr. Moeller with Mr. McDonough.
Mr. Magnuson with Mr. Hall.
Mr. Morris with Mr. Scherer.
Mrs. Griffiths with Mr. Van Zandt.
Mr. Burke of Kentucky with Mrs. Wels.
Mr. Breeding with Mr. Hoffman of Michigan.
Mr. Blatnik with Mr. Chiperfield.
Mr. Harrison of Virginia with Mr. Dooley.
Mrs. Kee with Mr. Kearns.
Mr. Dorn with Mr. Seely-Brown.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

Mr. ROBERTS of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD on the conference report just agreed to.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Alabama?

There was no objection.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will read the conference report.

The Clerk read the conference report. (For conference report and statement, see proceedings of the House of October 2, 1962.)

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 2, line 20, strike out "and for acquisition of sites therefor by donation, exchange, or purchase at a nominal cost not to exceed \$100."

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 3, strike out all of lines 9 through 14, and insert the following:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, \$106,126,500, including such amounts as may be necessary, notwithstanding the foregoing limitations, to remain available until expended, for the construction, alteration, and equipping of facilities and acquisition of the necessary land therefor by purchase, donation or exchange: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a);"

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: In lieu of the language stricken and inserted by said amendment, insert the following:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$77,473,000; plus additional amounts for research as follows: \$325,000 for staffing new research laboratories, \$670,000 for research on cost of production, and \$4,875,000 for expanded utilization research; and plus the following amounts, to remain available until expended, for construction, alteration, and equipping of facilities: \$395,000 for soil and water research facilities at Sidney, Montana, \$450,000 for poultry research facilities at East Lansing, Michigan, and \$160,000 for improvement of heating, water, and electrical systems at the Agricultural Research Center at Beltsville, Maryland; in all, \$84,348,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a);"

Mr. WHITTEN. Mr. Speaker, your conferees have brought back certain items in this appropriation bill in disagreement for the second time to ask for further support of the House. In the instant case we have gone as far as we feel the House can afford to go in trying to agree with the other body.

Included in the motion I have just made is \$325,000 to increase the staffing at the various laboratories, including the Animal Disease Laboratory at Ames, Iowa; the Cotton Insect Laboratory at State College, Mississippi; and Grain Insect Laboratories at Tifton, Ga., and Brookings, S. Dak. You will recall that in the original bill as it passed the House we provided funds for additional research on underground water supplies, dogfly control, tick eradication, quarterly pig crop reports, a market study in Chicago, study of Kona coffee in Hawaii, and forecasting for grapes and lemons in California.

In addition to that, your committee provided a \$1 million contingency research fund to meet additional research needs, because there were so many places that our colleagues felt should be given additional funds.

In the motion before you we have also provided, in an effort to get along with our colleagues on the other side of the aisle, an additional amount of \$670,000 for research on the cost of production.

This covers each of the items that have been added by the other body, including sugarcane and sugarbeet research; corn research; research on dried peas and lentils; research at Cheyenne, Wyo.; bee research at Laramie, Wyo.; development of mechanical harvesting aids for citrus; expanded citrus breeding research; equipment and staffing of a poultry disease laboratory for the Southeast; staffing the plant, soil and nutrition laboratory at Ithaca, N.Y.; accelerated watershed hydrology research at Chickasha, Okla.; equipment and ad-

ditional staffing for a laboratory at Madison, S. Dak.; initial staffing of a water and soil research laboratory at Twin Falls, Idaho; research on soybean breeding; and a study of long-range nutrition research.

All of these increases are over and above the present year's level as well as the recommendation of the Bureau of the Budget.

We have, in the motion before you, asked the House to go along with those items and amounts which we attempted several times in conference to offer to the other body in an effort to get agreement on this bill.

In addition to that, may I say Mr. Speaker, in the motion before you, your committee recommends funds for a laboratory at Sidney, Mont.; one at East Lansing, Mich.; and for improvements at Beltsville, all of which were in the budget.

At this point, may I say Mr. Speaker, in connection with the laboratory which was authorized last year at Ithaca, N.Y., in the district of our good friend, JOHN TABER, which I understand will be completed this month, it is the recommendation of your conferees that such laboratory be named for our esteemed and distinguished friend who is ending 40 years of service in the Congress. I think it entirely fitting that it be known as the John Taber Laboratory.

Mr. Speaker, I might point out that what we are asking you to stand by us on is based on the fact that in the other body some four or five laboratories were placed in this bill which are not budgeted and, in addition, \$25 million was placed in the bill on the other side in the name of utilization research without any tiedown or restrictions on its use; \$17,500,000 of which the Department says would be used for construction.

Your committee, in an effort to try to go along, as provided in this recommendation and in the motion before you, thought that of this amount we might go along with three-fourths of the \$4,500,000 for increased utilization research at existing laboratories and that we should increase the funds available for contracts in research by about \$1,500,000.

These amounts, too, are above this year's level.

We are asking you to stand by us in our feeling that it would be absolutely unsound to turn loose without some control, the \$17.5 million included in the \$25 million added by the Senate for utilization research, which has no tiedown whatsoever and for which we have had no information.

May I say to my colleagues, we are putting our best foot forward. We are doing everything we think we possibly can on the House side in an effort to bring to a conclusion this appropriation for the 1963 fiscal year including these increased amounts above last year's level to meet utilization research needs.

In dealing with this, we have been up against several things, Mr. Speaker. One of these is that the other body provided funds in the bill to finance the farm programs and the price support

programs only, until after the first of January. It is our estimate that the funds in the Senate bill will last possibly to the first of February. That is not included in the amendment now under consideration, but I just mentioned it to show you what we have been up against in trying to work out this matter. For the research items under the amendment now pending, we are offering to take increased care of every one of these research problems and provide funds for them on a three-quarter year basis, since one-quarter of the year has passed. We are also providing funds for two laboratories—one in Montana and one in Michigan—and for necessary improvements at Beltsville.

Further, we are going a great distance, as far as we possibly can in an effort to resolve these differences.

At the proper time I shall make motions with reference to the other matters, but I repeat that the motion before you goes along with all these increases for research items on the basis of three-quarters of a year, and the construction items which are in the budget.

It does hold up new construction items which are unbudgeted and the \$17,500,000 which is not tied down. We do not want such a large amount to be used at the will of somebody whom we do not know, subsequent to action on this bill.

I therefore hope the motion will be adopted by my colleagues at this time.

I yield to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Speaker, I might say that we are happy about the suggestion that the Soil and Water Facilities Laboratory at Cornell University, Ithaca, N.Y., be named in honor of JOHN TABER.

This institution already has a great reputation in the constructive work that has been done there in the direction of soil and water conservation. In many ways it can be said that constructive conservation has been the hallmark of JOHN TABER's long service among us.

Mr. BATTIN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BATTIN. Mr. Speaker, I would like to take this time to thank the gentleman for the work he has done in the conference committee. When the report was on the floor previously I offered a preferential motion. It lost by a tie vote. I do appreciate very much the fact that the gentleman did go back to conference. I believe he has held the line on the project at Sidney, Mont., which is in my district. It was a budgeted item. I appreciate the consideration given.

Mr. WHITTEN. May I say at this point I thank the gentleman for his statement.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. HALLECK. I received a communication today from responsible people out in my area who are concerned about the fact that apparently in this bill there is an item of \$50,000 for research on corn improvement. As I understand,

the conference report allocated that \$50,000. Is that correct?

Mr. WHITTEN. May I say that item is included. What we have done, in view of the fact that one-quarter of the year has already gone, is to provide three-quarters of the total increase requested above the present year for a series of research items of which research on corn is one. So the increased amount for corn is included in my motion for the remainder of the year.

Mr. HORAN. I would like to add further in this general field to which the minority leader referred, the chairman of this subcommittee has just named, this amounts to about a little over \$540,000 being spent in various qualities of corn and this type of research.

Mr. WHITTEN. May I say at this point, Mr. Speaker, that as to these six laboratories which were added on the Senate side, five were placed in there without budget approval. We felt that they should be held up. We have not had any hearings on them, and there are several serious questions involved with regard to several of them.

I want to say to my colleagues who have had these things identified and have them in their districts, as chairman of the subcommittee I can only say it will be our purpose to make a thorough study and to ask for further information. I would be less than frank if I did not say we will have to give thought as to whether they fit into the type of research program our Government has followed in recent years. That is, the State-Federal cooperative approach, which includes land-grant colleges, and so forth.

I do think the committee's position is sound. If we ever get into the position of financing any major part of a department on a part-year basis, as the bill of the other body would do, it would be most unsound. And if we ever get to where we go along with millions of dollars for facilities that are not even described and not nailed down, to be determined later, insofar as this side is concerned, we would be helpless to give our attention to those places where the work is most needed.

Mr. Speaker, at this time I yield to the gentleman from Georgia [Mr. FORRESTER].

Mr. FORRESTER. I thank the gentleman for yielding to me.

I realize an agriculture appropriation bill must be passed without further delay and that extended debate probably would not be desirable. I certainly have no occasion to cause delay in the consideration of this appropriation bill. But I would like to ask the gentleman from Mississippi and other members of the conference committee: Inasmuch as they have seen fit not to approve the items under amendment No. 2, providing \$500,000 to construct modern facilities and to accelerate fruit and nut research in the Southeast, will the gentleman give me some assurance that he and his committee will give sympathetic consideration to that project in the early part of the next session of Congress?

Mr. WHITTEN. Our committee hopes to have early hearings next year. Due to complications, they were delayed this year. We will be glad to hear each and every presentation in connection with this matter. We will have to consider it in connection with the present research carried on on a cooperative basis, because I am sure the gentleman, like myself, would not want to destroy more than we would accomplish. And may I say to him, while the Department did not recommend it and the Bureau of the Budget did not recommend it, we will try to look into the matter further and see if there is more justification than has been presented thus far. May I say the Department and the Bureau of the Budget have not sent to the committee any information on it and did not call or give any notice they would

go along with it prior to the action by the House.

Mr. FORRESTER. I agree with the gentleman that this item was not set out in the budget. But I do not know what that means. Only a few days ago I had one that was not in the budget, and I lost out. I appreciate what the gentleman has said, that he will give sympathetic consideration to this matter, and I am glad to have that assurance, because I am going home empty-handed. I would appreciate it if the gentleman would give sympathetic consideration to this item.

Mr. WHITTEN. I thank the gentleman. There is no one here who has more friends or more standing than the gentleman from Georgia, and certainly from a personal standpoint there is not one thing I personally would not do for my colleague. But as a Representative

of the House of Representatives, I am in a certain position. In the 14 years I have been chairman of the subcommittee, this is the first time I have had to bring a bill back in disagreement and ask the House to go along with me. In this instance we are going as far as possible to meet the increasing needs of the Department. We are putting our best foot forward and have offered everything that could be offered on the part of the House in connection with the motion that is before us at this time. I hope we may have your support and that of the Senate.

I am including in the RECORD at this point a table which shows the amounts in the bill based on recommendations of your conferees here today, as compared to the totals of the budget estimates, the House-passed bill and the Senate bill:

H.R. 12648—Department of Agriculture and related agencies appropriation bill, 1963

	Budget estimate	Passed House	Passed Senate	Conference action	Conference action compared with—		
					Budget estimate	House	Senate
Title I—General activities.....	\$1,510,069,000	\$1,464,582,500	\$1,513,856,000	\$1,483,544,500	—\$26,524,500	+\$18,962,000	—\$30,311,500
Title II—Credit agencies.....	55,324,000	44,406,000	44,606,000	44,606,000	+10,718,000	+200,000	-----
Title III—Corporations.....	2,602,455,000	2,390,004,000	2,169,004,000	2,380,254,000	—222,201,000	—9,750,000	+211,250,000
Title IV—Foreign assistance programs.....	2,186,935,000	1,576,850,000	1,047,617,000	1,576,850,000	—610,085,000	-----	+529,333,000
Total appropriations.....	6,354,783,000	5,475,842,500	4,774,983,000	5,485,254,500	—869,528,500	+9,412,000	+710,271,500
Total loan authorizations.....	(805,000,000)	(805,000,000)	(820,000,000)	(820,000,000)	(+15,000,000)	(+15,000,000)	-----

Mr. WHITTEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WHITTEN. Mr. Speaker, on that I demand the yeas and nays. Since we will have a further conference, I think it would be well for the House position to be made clear, and I feel this will strengthen our position.

The yeas and nays were ordered.

The question was taken; and there were—yeas 339, nays 5, not voting 91, as follows:

[Roll No. 273]

YEAS—339

Abbott
Abernethy
Addabbo
Albert
Alford
Alger
Andersen,
Minn.
Anderson, Ill.
Andrews
Arends
Ashbrook
Ashley
Ashmore
Auchincloss
Avary
Ayres
Bailey
Baker
Baldwin
Baring
Barrett
Barry
Bass, N.H.
Bass, Tenn.
Bates
Battin
Becker
Beckworth
Beermann
Bennett, Fla.
Betts
Boggs
Boland
Bolton
Bonner
Bow
Brademas
Bray
Brewster
Brooks
Broomfield
Broyhill
Bruce
Buckley
Burke, Mass.
Burleson
Byrne, Pa.
Byrnes, Wis.
Cahill
Cannon
Carey
Casey
Cederberg
Celler
Chamberlain
Chelf
Chenoweth
Church
Clancy
Clark
Cohelan
Collier
Colmer
Conte
Cook
Cooley
Corbett
Corman
Cunningham
Curtis, Mass.
Curtis, Mo.
Daddario
Dague
Daniels
Davis, John W.
Davis, Tenn.
Dawson
Delaney
Dent
Derounian
Derwinski
Devine
Diggs
Dingell
Dole
Donohue
Dorn
Dowdy
Downing

Doyle
Dulski
Durno
Dwyer
Edmondson
Elliott
Ellsworth
Everett
Fallon
Farbstein
Fascell
Feighan
Fenton
Findley
Finnegan
Flno
Fisher
Flood
Fogarty
Ford
Fountain
Frelinghuysen
Friedel
Fulton
Gallagher
Garmatz
Gary
Gathings
Gavin
Gialmo
Gilbert
Glenn
Gonzalez
Goodell
Goodling
Granahan
Grant
Gray
Green, Oreg.
Green, Pa.
Griffin
Gross
Gubser
Hagen, Calif.
Haley
Halleck
Halpern
Hardy
Harris
Harrison, Wyo.
Harsha
Harvey, Mich.
Healey
Hechler
Hemphill
Henderson
Hoffman, Ill.
Hollifield
Horan
Hosmer
Huddleston
Hull
Ichord, Mo.
Inouye
Jarman
Jennings
Jensen
Joelson
Johansen
Johnson, Calif.
Johnson, Md.
Johnson, Wis.
Jonas
Jones, Ala.
Judd
Karsten
Karth
Kastanmeyer
Keith
Kelly
Keogh
Kilgore
King, Calif.
King, N.Y.
King, Utah
Kirwan
Kitchin
Kluczynski
Knox
Kornegay
Kowalski
Kunkel
Kyl
Lane
Langen
Lankford
Latta
Lennon
Lesinski
Libonati
Lindsay
Lipscomb
Loser
McCulloch
McFall
McMillan
McVey
Mack
Madden
Mahon
Mailliard
Marshall
Martin, Mass.
Martin, Nebr.
Mason
Mathias
Matthews
May
Meador
Merrow
Miller, N.Y.
Milliken
Mills
Minshall
Monagan
Montoya
Moore
Moorehead,
Ohio
Moorhead, Pa.
Morgan
Morrison
Morse
Mosher
Moss
Moulder
Multer
Murphy
Murray
Natcher
Nedzi
Nelsen
Nix
Norblad
Norrell
Nygaard
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill
Osmers
Ostertag
Passman
Patman
Pelly
Perkins
Pfost
Phillbin
Pike
Pilcher
Pillion
Pirnie
Poage
Poff
Powell
Price
Pucinski
Purcell
Randall
Ray
Reece
Reuss
Rhodes, Ariz.

Rhodes, Pa.
Riehlman
Riley
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rooney
Rosenthal
Rostenkowski
Roush
Rousselot
Rutherford
Ryan, Mich.
Ryan, N.Y.
St. George
St. Germain
Santangelo
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Selden
Shelley
Shriver
Sibal
Sikes
Sisk
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Spence
Springer
Stafford
Steed
Stratton
Stubblefield
Sullivan
Taber
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Toll
Tollefson
Trimble
Tuck
Tupper
Udall, Morris K.
Utt
Vanik
Waggonner
Wallhauser
Walter
Weaver
Westland
Wharton
Whitener
Whitten
Wickersham
Widnall
Wilson, Calif.
Wilson, Ind.
Winstead
Young
Younger
Zablocki

NAYS—5

Forrester.
Hagan, Ga.
Landrum
Rogers, Fla.
Stephens

NOT VOTING—91

Adair
Alexander
Anfuso
Aspinall
Belcher
Bell
Bennett, Mich.
Berry
Blatnik
Blight
Bolling
Boykin
Breeding
Bromwell
Brown
Burke, Ky.
Chiperfield
Coad
Cramer
Curtin
Davis,
James C.
Denton
Dominick
Dooley
Evins
Flynt
Frazier
Garland
Griffiths
Hall
Hansen
Harding
Harrison, Va.
Harvey, Ind.
Hays
Hebert
Herlong
Hiestand
Hoeven
Hoffman, Mich.
Holland
Jones, Mo.
Kearns
Kee
Kilburn
Laird
McDonough
McDowell
McIntire
McSweeney
Macdonald
MacGregor
Magnuson
Michel
Miller, Clem
Miller,
George P.
Moeller
Morris
O'Brien, Ill.
O'Konski
Peterson
Quile
Rains
Reifel
Rogers, Tex.
Roosevelt
Roudebush
Saund
Scherer
Scranton
Seely-Brown
Sheppard
Shipley
Short
Siler
Smith, Miss.

Staggers	Van Zandt	Williams
Thompson, La.	Vinson	Willis
Thornberry	Watts	Wright
Ullman	Weis	Yates
Van Pelt	Whalley	Zelenko

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Hall.
 Mr. Aspinall with Mr. Adair.
 Mr. Wright with Mr. Reifel.
 Mr. Burke of Kentucky with Mr. Bennett of Michigan.
 Mr. Macdonald with Mr. Cramer.
 Mr. Ullman with Mr. Van Pelt.
 Mr. Peterson with Mr. Roudebush.
 Mr. Rains with Mr. Michel.
 Mr. Hansen with Mr. Short.
 Mr. Herlong with Mr. Brown.
 Mr. Rogers of Texas with Mr. O'Konski.
 Mr. Denton with Mr. McIntire.
 Mr. Evins with Mr. Kilburn.
 Mr. Morris of New Mexico with Mr. Hoeven.
 Mr. George P. Miller with Mr. Belcher.
 Mr. Staggers with Mr. Garland.
 Mr. Shipley with Mr. Siler.
 Mr. Alexander with Mr. Quie.
 Mr. Blatnik with Mr. MacGregor.
 Mr. Harding with Mr. Kearns.
 Mr. Thompson of Louisiana with Mr. Harvey of Indiana.
 Mr. Williams with Mr. Berry of South Dakota.
 Mr. Willis with Mr. Dominick.
 Mr. Zelenko with Mrs. Weis.
 Mr. Anfusio with Mr. Schadeberg.
 Mr. Breeding with Mr. McDonough.
 Mr. O'Brien of Illinois with Mr. Laird.
 Mr. Roosevelt with Mr. Bromwell.
 Mr. Hays with Mr. Curtin of Pennsylvania.
 Mrs. Griffiths with Mr. Bell.
 Mr. Moeller with Mr. Hiestand.
 Mr. Clem Miller with Mr. Scranton.
 Mr. Magnuson with Mr. Van Zandt.
 Mr. McDowell with Mr. Scherer.
 Mr. Sheppard with Mr. Seely-Brown.
 Mr. Frazier with Mr. Dooley.
 Mr. Holland with Mr. Hoffman of Michigan.

Mr. GOODELL and Mr. BREWSTER changed their votes from "yea" to "nay." The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6. Page 6, strike lines 22 to 25, inclusive.

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein.

The motion was agreed to.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that amendments numbered 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read as follows:

Senate amendment No. 19. Page 15, line 16, insert the following:

"CONSTRUCTION OF FACILITIES

"For construction of facilities and acquisition of the necessary land therefor, as authorized by law, \$1,600,000 to remain available until expended."

Senate amendment No. 44: Page 30, line 18, strike out "\$2,278,455,000" and insert "\$2,066,955,000".

Senate amendment No. 47: Page 32, line 4, insert "and unrecovered prior years' costs, including interest thereon."

Senate amendment No. 48: Page 32, line 10: Strike "\$1,080,632,000" and insert "\$700,000,000".

Senate amendment No. 49: Page 32, line 12, strike "\$250,000,000" and insert "\$189,000,000".

Senate amendment No. 50: Page 32, line 14, strike "\$40,000,000" and insert "\$50,000,000".

Senate amendment No. 51: Page 32, line 16, strike "expenses during fiscal year 1963 and insert "unrecovered prior years' cost, including interest thereon".

Senate amendment No. 52: Page 32, line 19, strike "\$81,218,000" and insert "\$15,650,000".

Senate amendment No. 53: Page 32, line 22, strike "expenses during fiscal year 1963" and insert "unrecovered prior years' costs".

Senate amendment No. 54: Page 33, line 4, strike "\$125,000,000" and insert "\$92,867,000".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House further insist upon its disagreement to the amendments of the Senate numbered 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. BENNETT of Florida. Mr. Speaker, I wish to bring to the attention of the House statements by various authorities on the urgent need for early construction of the Cross Florida Barge Canal.

This project was authorized as long ago as 1942 and was justified on its defense value alone, no reliance being placed on economic justifications. The authorizing act was not the usual Rivers and Harbors Act but a special bill the preamble of which reads as follows:

In order to promote the national defense and to promptly facilitate and protect the transfer of materials and supplies needful to the Military Establishment—

An so forth. I call to your attention that this act authorized this project essentially on the basis of its value to the national defense. Its economic benefits cost ratio at that time was reported by the Corps of Engineers as only 0.19, whereas the current reexamination by the Chief of Engineers yields a ratio of at least 1.2. This is more than five times what Congress deemed sufficient in view of its defense value.

A May 11, 1962, letter from the chairman, the gentleman from Georgia, CARL VINSON, of the Armed Services Committee endorse the vital defense aspects of the proposed canal:

HOUSE OF REPRESENTATIVES,
 COMMITTEE ON ARMED SERVICES,
 Washington, D.C., May 11, 1962.

HON. CLARENCE CANNON,
 Chairman, Committee on Appropriations,
 House of Representatives, Washington,
 D.C.

MY DEAR CLARENCE: I am very hopeful that during this Congress your committee will see fit to appropriate sufficient funds to make a forward step in the construction of the Cross Florida Barge Canal which is to be a section of the Intracoastal Waterway.

I am very much interested in this project because of its very important national defense aspects.

I don't believe anyone can question the fact that the modern submarine is making tremendous advances; and obviously if our advances in submarine capabilities have been remarkable, it is fair to assume that the submarine capabilities of the Soviet Union have also progressed to a marked degree.

Under the circumstances, the construction of this canal might eventually prove to be a vital link in our transportation system and might well prevent the loss of a considerable amount of shipping in movements between our gulf and Atlantic ports.

I am impressed by the fact that the importance of this canal has long been recognized. For example, the preamble of the special authorizing act, Public Law 675, 77th Congress, provides in part as follows:

"In order to promote the national defense, and to promptly facilitate and protect the transport of materials and supplies needful to the Military Establishment."

In 1942, the Chief of Engineers wrote to the chairman of the House Committee on Rivers and Harbors, as follows:

"The Board concludes that the barge canal in time of war, together with the prospective benefits to be anticipated in normal times, is sufficient to warrant its construction."

On August 30, 1946, the Board of Engineers for Rivers and Harbors, in a report to the Office of the Chief of Engineers, stated as follows:

"The Chief of Engineers has stated in his opinion (hearing before the House Appropriations Subcommittee, Jan. 9, 1946) that the authorized canal will represent, in addition to its economic worth, a value in national security considerably greater than its cost."

On May 29, 1951, the Deputy Secretary of Defense in a letter to the President, stated as follows:

"The Corps of Engineers expressed the views that 'a barge canal will afford a short, economical, protected route across Florida for the movement of a large amount of long-haul traffic by barge and small freighters between gulf and Atlantic ports. Large tonnages of raw materials as well as manufactured products are susceptible to movement between those points via protected inland waters at great saving. Completion of the canal would also permit quick, safe, and economical transfer between the east and west coasts of Florida, of floating plant and construction equipment now required to move via the circuitous and dangerous Florida Keys route."

"During World War II, many cargo ships and tankers were lost off the coast of Florida due to enemy action. Many of the cargoes that were lost would and could have moved by barge or small freighter had the barge canal been in existence at that time. The saving in lives, ships, and valuable and critical cargoes would have been great. Similar and comparable savings would also accrue in future serious national emergencies if the canal is in operation."

"The Joint Chiefs of Staff find that either of these projects" (i.e., the previously considered ship canal or the authorized barge canal) "will provide an additional and shorter line of communication between the gulf coast and the east coast and would thus reduce exposure of shipping to submarine attack."

"The Joint Chiefs of Staff consider that the military aspects of the problem are so limited that they should not be used as the primary basis for decision on this matter." (Note: The Joint Chiefs of Staff very correctly differentiate "military aspects," i.e., the deployment of forces, from the defense aspects).

And finally, a memorandum prepared by Mr. Henry H. Buchman, Engineering Counsel for the Canal Authority of the State of Florida, written in 1956 and submitted to the

Congress by the Chief of Engineers in 1958, stated as follows:

"The recognition and fostering of the strategic potentialities of our waterways and harbors, implicit in the policy of the Congress assigning jurisdiction over these to the Secretary of the Army, has been one of the fine traditional service of the Corps of Engineers throughout its history.

"The attached memorandum is designed to supplement and bring down to date certain findings and conclusions previously reached by the Board of Engineers for Rivers and Harbors and the Chief of Engineers with respect to the magnitude of the annual economic benefit that should be credited to the project for avoidance of economic losses from merchant ship sinkings from enemy action."

I sincerely hope that the Appropriations Committee will take the necessary action to make funds available to begin the construction of this project.

Sincerely,

CARL VINSON,
Chairman.

On January 9, 1946, the Chief of Engineers stated to this committee that the Cross-Florida Barge Canal will represent, in addition to its economic worth, a value in national security considerably greater than its cost.

Under date of August 30, 1946, the Board of Engineers for Rivers and Harbors in reporting on this project to the Chief of Army Engineers stated:

The economic analysis of a long-lived project could not be considered complete if it covered merely the interval of peacetime years and ignored the recurrent war periods. The insurance value of the avoidance of war losses is, therefore, distributable on an annual basis and can be at least roughly approximated in dollars and cents for measurement against the monetary annual charges of providing and maintaining the facilities.

The Board then goes on to compute the annual value of this wartime insurance afforded by the project as \$3,600,000 based on price and replacement cost levels of 1946. In terms of today's price levels, this figure is above \$10 million per year and more than doubles the total economic benefits currently reported by the Corps of Engineers in their interim report as to the peacetime economies to be yielded by the waterway.

Under date of May 29, 1951, the Deputy Secretary of Defense, replying to a letter from the President inquiring as to that Department's views on the defense value of the project, had this to say:

The Corps of Engineers expressed the view that a barge canal will afford a short, economical, protected route across Florida for the movement of a large amount of long-haul traffic by barge and small freighters between gulf and Atlantic ports. * * * Large tonnages of raw materials as well as manufactured products are susceptible to movement between these points via protected inland waters at great savings. Completion of the canal would also permit quick, safe, and economical transfer between the east and west coasts of Florida of floating plant and construction equipment now required to move via the circuitous and dangerous Florida Keys route.

During World War II, many cargo ships and tankers were lost off the coast of Florida due to enemy action. Many of the cargoes that were lost would and could have moved by barge or small freighter had the barge

canal been in existence at that time. The saving in lives, ships and valuable and critical cargoes would have been great. Similar and comparable savings would also accrue in future serious material emergencies if the canal is in operation.

Continuing his letter to the President, the Deputy Secretary of Defense reports the views of the Joint Chiefs of Staff. These are to the effect that while the direct strictly military value of the canal is limited:

The Joint Chiefs of Staff find that either of these projects (i.e., the previously considered ship canal or the presently authorized barge canal) will provide an additional and shorter line of communication between the gulf coast and the east coast and would thus reduce exposure of shipping to submarine attack.

Third. The Office of Emergency Planning in the Executive Office of the President, in the fall of last year, reviewed a memorandum on the national defense value of the project previously submitted to the Corps of Engineers. Having reviewed this memorandum, the Office of Emergency Planning addressed a letter to engineering counsel of the State authority in which the following statement occurs:

We have reviewed the Buckman memorandum and appended papers and feel that its thesis is sound and its findings still essentially valid with respect to civil as well as military defense. The desirability of a shorter line of communications between the gulf and east coasts is recognized.

Engineer Buckman further points out the tremendous cost of lost shipping in World War II due to the necessity of using the gulf-Atlantic open sea lanes:

Over 1 million gross tons or 25 percent of all the shipping in these lanes was lost. The value was \$987 million, and 167 ships went to the bottom.

While the total cost of this project is larger than some, it can be readily ascertained that the Congress has appropriated substantial sums on larger projects with less economic justification.

The lone opposition to this canal has been from railroads, which have, of course, traditionally opposed canals all over the country. It might be pointed out, however, that the Florida East Coast Railroad supports the canal which would seem to corroborate the following statement from General Morris, of the engineers, this year in the House hearings:

In a short time the canal will assume its proper place in the overall transportation network: Developments along and adjacent to the canal will be accelerated, particularly by industries utilizing and processing raw materials. When this condition develops it can be anticipated that the volume of traffic transported by rail and truck will also expand due to their natural advantages in the transportation of certain classes of commodities. While this trend can be anticipated from the statistical studies made for the economic restudy of the canal, it has been clearly shown in the growth pattern of transportation in other sections of the country under similar conditions. It is believed that the provision of cheap water transportation for bulky commodities to this section of the Southeastern States will create such developments that loss of traffic to competing rail and truck transportation systems will not be

of lasting importance, and the resulting improvement of regional economic conditions will ultimately add materially to their traffic.

The argument has also been made that the majority of benefits from this project will accrue to the people of Florida only, but the Mississippi Valley Association's letter hereafter recited shows the fallacy of this reasoning. As a matter of fact it points out that only 16 percent of the total traffic will be within Florida or intrastate. The Engineers back up this figure from their findings also.

Even though this project is of much more national significance than most, it must be remembered that it is not customary for public works projects to be funded on the basis of their national value. Certainly the many hundreds of millions spent on most harbors could not be justified on this basis, since they even compete with one another in value.

It is further held that construction of the Cross-Florida Barge Canal will only duplicate the present canal in the extreme southern part of that State. However, there are a number of reasons why that southern Florida route is impractical as determined by the Engineers when choosing the present route after examining closely no less than 28 different possible alternatives. The following quote from Gov. Farris Bryant, of Florida, points up some of the difficulties:

The replies of General Morris to questioning by Congressman JOE L. EVANS, of Tennessee, were limited to the statement that the Okeechobee Waterway presented a much longer route, being some 356 miles longer than the authorized Cross-Florida Barge Canal. The inadequacy of the Okeechobee waterway is best emphasized by pointing to the fact that the waterway has been in existence since the middle thirties and as recently as 1960 only carried an annual tonnage of 330,167 tons. This is an authorized 8-foot project, authorized by Congress in Rivers and Harbors Act of March 2, 1945. So far as I know there has been no request for deepening this waterway made by local interests since 1945. During the early months of 1962 the limiting depth in this waterway was approximately 6 feet. This condition was brought about by the extremely low stage of Lake Okeechobee. The project is little used and does not measure up to the standards of either the Atlantic or Gulf Intracoastal Waterways.

In addition, the following letter from the Office of the Chief of Engineers sheds further light on the feasibility of the present waterway in the extreme southern part of Florida:

OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C. May 17, 1962.

Col. HENRY J. KELLY,
U.S. Army (retired), Assistant Director,
Florida State Department of Conservation, Tallahassee, Fla.

DEAR COLONEL KELLY: In reference to your recent request for information regarding the possibility of a cross-State canal using the Okeechobee Waterway, the following information is submitted. I might point out that this information has been extracted from a letter to a member of the Florida delegation to the Congress.

The Cross-Florida Barge Canal project would provide an economically justified navigation channel 12 feet deep and 150 feet wide extending from the St. Johns River near Palatka to the Gulf of Mexico near Yankeetown. The project includes 5 locks, each 84 feet wide and 600 feet long. The

The committee believes that highway plans and programs in larger urban areas should be coordinated with plans for improvement in other affected forms of transportation, but that such transportation planning should not delay the present Federal-aid highway program.

The motor vehicle registration in the United States was almost 76 million in 1961.

It is expected to reach about 79 million in 1962, an increase of about 3.7 percent. It will continue to increase, probably at increased rate.

Many millions of vehicles will be driven into our cities each day. The needs for adequate roads into such cities is increasing. Our present highway pro-

gram is barely keeping pace with the traffic increase.

Even with good mass transportation systems, the need for these highways will continue. Many of the millions who own cars will continue to use them and drive them to work in the cities regardless of the mass transportation systems effected.

The committee considers the language of H.R. 12135 adequate to assure continuing transportation planning on a cooperative basis by the Federal, State, and local agencies.

The committee understands that the Bureau of Public Roads now has cooperative working arrangements with States and localities in the area of trans-

portation planning, and feels that the Federal guidance and leadership that will be provided under H.R. 12135 will provide for sound and uniform transportation in metropolitan areas.

From the messages received by the committee, it appears that H.R. 12135 as amended meets the support and approval of all highway interests, the administration, State officials, local officials, and the highway industry.

I ask unanimous consent to place in the RECORD at this point certain tables of authorizations and apportionments contained in H.R. 12135.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Comparison with existing authorizations

[Millions of dollars]

Type of roads	Existing law		H.R. 12135, as amended			Type of roads	Existing law		H.R. 12135, as amended		
	Fiscal year 1962	Fiscal year 1963	Fiscal year 1963	Fiscal year 1964	Fiscal year 1965		Fiscal year 1962	Fiscal year 1963	Fiscal year 1963	Fiscal year 1964	Fiscal year 1965
Federal-aid systems:						Park roads and trails.....	18.00	18.00		22.00	25.00
Primary.....	416.25	416.25		427.50	427.50	Parkways.....	16.00	16.00		16.55	16.00
Secondary.....	277.50	277.50		285.00	285.00	Indian reservation roads.....	12.00	12.00		16.00	18.00
Urban.....	231.25	231.25		237.50	237.50	Public lands highways.....	3.50	3.00	6.00	9.00	9.00
						Rama Road.....				.85	
Subtotal.....	925.00	925.00		950.00	950.00	Inter-American Highway.....				32.00	
Forest highways.....	33.00	33.00		33.00	33.00						
Forest development roads and trails.....	35.00	40.00	20.00	70.00	85.00	Total.....	1,042.50	1,047.00	26.00	1,151.40	1,140.00
Public lands development roads and trails.....				2.00	4.00						

Approximate apportionments of Federal-aid highway funds, fiscal year 1964

[Thousands of dollars]

State	Pursuant to H.R. 12135				Interstate (\$2,600,000)	Total (\$3,550,000)	State	Pursuant to H.R. 12135				Interstate (\$2,600,000)	Total (\$3,550,000)
	Primary (\$427,500)	Secondary (\$285,000)	Urban (\$237,500)	Subtotal (\$950,000)				Primary (\$427,500)	Secondary (\$285,000)	Urban (\$237,500)	Subtotal (\$950,000)		
Alabama.....	\$8,178	\$6,244	\$3,188	\$17,610	\$53,635	\$71,245	Nevada.....	\$4,846	\$3,223	\$358	\$8,427	\$13,069	\$21,496
Alaska.....	22,696	15,233	156	38,085		38,085	New Hampshire.....	2,111	1,407	627	4,145	11,631	15,776
Arizona.....	6,337	4,111	1,773	12,221	36,407	48,628	New Jersey.....	5,968	2,049	10,191	18,208	67,602	85,810
Arkansas.....	6,087	4,847	1,292	12,226	27,138	39,364	New Mexico.....	6,606	4,457	1,147	12,210	25,880	38,090
California.....	21,862	10,154	28,672	57,688	247,918	305,606	New York.....	19,292	8,412	27,316	55,020	122,855	177,875
Colorado.....	7,105	4,609	2,415	14,129	34,379	48,508	North Carolina.....	9,971	8,914	3,111	21,996	21,208	43,204
Connecticut.....	2,992	1,622	4,581	9,195	36,613	45,808	North Dakota.....	5,411	3,965	417	9,793	11,451	21,244
Delaware.....	2,111	1,407	544	4,062	9,654	13,716	Ohio.....	14,660	9,138	13,402	37,200	176,952	214,152
Florida.....	7,849	4,863	6,669	19,381	53,789	73,170	Oklahoma.....	8,523	5,932	2,616	17,071	31,195	48,266
Georgia.....	10,473	7,909	3,843	22,225	47,781	70,006	Oregon.....	6,546	4,575	1,982	13,103	45,034	58,137
Hawaii.....	2,111	1,407	880	4,398	20,360	24,758	Pennsylvania.....	15,690	10,062	15,094	40,846	115,974	156,820
Idaho.....	4,726	3,392	501	8,619	12,170	20,789	Rhode Island.....	2,111	1,407	1,426	4,944	9,551	14,495
Illinois.....	15,933	8,727	15,229	39,889	135,256	175,145	South Carolina.....	5,407	4,724	1,699	11,830	22,389	34,219
Indiana.....	9,696	7,009	5,322	22,027	64,213	86,240	South Dakota.....	5,952	4,306	431	10,689	17,023	27,712
Iowa.....	9,619	7,162	2,535	19,316	32,813	52,129	Tennessee.....	8,277	6,536	3,378	18,191	65,343	83,534
Kansas.....	9,561	6,676	2,327	18,564	20,103	38,667	Texas.....	25,851	16,337	13,180	55,368	117,309	172,677
Kentucky.....	6,944	5,888	2,368	15,200	52,890	68,090	Utah.....	4,635	3,007	1,237	8,879	37,537	46,416
Louisiana.....	6,353	4,570	3,712	14,635	74,894	89,529	Vermont.....	2,111	1,407	330	3,848	17,895	21,743
Maine.....	3,138	2,384	805	6,327	12,247	18,574	Virginia.....	8,031	6,269	4,112	18,412	78,797	97,209
Maryland.....	4,192	2,628	4,288	11,108	47,499	58,607	Washington.....	6,780	4,582	3,548	14,910	54,046	68,956
Massachusetts.....	5,382	2,380	8,184	15,946	55,561	71,507	West Virginia.....	4,163	3,742	1,248	9,153	39,026	48,179
Michigan.....	13,179	8,277	10,755	32,211	101,031	133,242	Wisconsin.....	9,485	6,691	4,589	20,765	22,928	43,693
Minnesota.....	10,726	7,560	3,888	22,174	67,063	89,237	Wyoming.....	4,816	3,277	280	8,373	24,879	33,252
Mississippi.....	6,628	5,567	1,393	13,586	31,503	45,089	District of Columbia.....	2,111	1,407	1,489	5,007	37,280	42,287
Missouri.....	11,306	7,740	5,270	24,316	66,318	90,634	Puerto Rico.....	2,111	2,342	1,822	6,275		6,275
Montana.....	7,821	5,426	543	13,790	24,263	38,053							
Nebraska.....	7,688	5,478	1,368	14,534	15,148	29,682							

Approximate apportionments of Federal-aid highway funds, fiscal year 1965

(Thousands of dollars)

State	Pursuant to H.R. 12135				Interstate (\$2,700,000)	Total (\$3,650,000)	State	Pursuant to H.R. 12135				Interstate (\$2,700,000)	Total (\$3,650,000)
	Primary (\$427,500)	Secondary (\$285,000)	Urban (\$237,500)	Subtotal (\$950,000)				Primary (\$427,500)	Secondary (\$285,000)	Urban (\$237,500)	Subtotal (\$950,000)		
Alabama.....	\$8,178	\$6,244	\$3,188	\$17,610	\$55,698	\$73,308	Nevada.....	\$4,846	\$3,223	\$358	\$8,427	\$13,571	\$21,998
Alaska.....	22,696	15,233	156	38,085	37,807	39,088	New Hampshire.....	2,111	1,407	627	4,145	12,078	16,223
Arizona.....	6,337	4,111	1,773	12,221	28,182	50,028	New Jersey.....	5,968	2,049	10,191	18,208	76,202	88,408
Arkansas.....	6,087	4,847	1,292	12,226	257,453	40,408	New Mexico.....	6,606	4,457	1,147	12,210	26,876	39,086
California.....	21,862	10,154	25,672	57,688	35,701	305,141	New York.....	19,292	8,412	27,316	55,020	127,580	182,600
Colorado.....	7,105	4,609	2,415	14,129	38,021	49,830	North Carolina.....	9,971	8,914	3,111	21,996	22,023	44,219
Connecticut.....	2,992	1,622	4,581	9,195	10,025	47,216	North Dakota.....	5,411	3,965	417	9,793	11,891	21,684
Delaware.....	2,111	1,407	544	4,062	55,858	14,087	Ohio.....	14,660	9,138	13,402	37,200	183,758	220,958
Florida.....	7,849	4,863	6,669	19,381	49,619	75,239	Oklahoma.....	8,523	5,932	2,616	17,071	32,395	49,466
Georgia.....	10,473	7,909	3,843	22,225	21,143	71,844	Oregon.....	6,546	4,575	1,982	13,103	46,766	59,869
Hawaii.....	2,111	1,407	880	4,398	12,638	25,541	Pennsylvania.....	15,690	10,062	15,094	40,846	120,434	161,280
Idaho.....	4,726	3,392	501	8,619	140,458	21,257	Rhode Island.....	2,111	1,407	1,426	4,944	9,918	14,862
Illinois.....	15,933	8,727	15,229	39,889	66,683	180,347	South Carolina.....	5,407	4,724	1,699	11,830	23,250	35,080
Indiana.....	9,696	7,009	5,322	22,027	34,075	88,710	South Dakota.....	5,952	4,306	431	10,689	17,677	28,366
Iowa.....	9,619	7,162	2,535	19,316	54,925	53,391	Tennessee.....	8,277	6,536	3,378	18,191	67,856	86,047
Kansas.....	9,561	6,676	2,327	18,564	77,775	39,441	Texas.....	25,851	16,337	13,160	55,368	121,821	177,189
Kentucky.....	6,944	5,888	2,368	15,200	12,718	70,125	Utah.....	4,635	3,007	1,237	8,879	38,981	47,860
Louisiana.....	6,353	4,570	3,712	14,635	19,045	92,410	Vermont.....	2,111	1,407	330	3,848	18,584	22,432
Maine.....	3,138	2,384	805	6,327	49,326	21,457	Virginia.....	8,031	6,269	4,112	18,412	81,827	100,239
Maryland.....	4,192	2,628	4,288	11,108	60,434	73,644	Washington.....	6,780	4,582	3,548	14,910	56,125	71,035
Massachusetts.....	5,382	2,380	8,181	15,946	57,698	63,444	West Virginia.....	4,163	3,742	1,248	9,153	40,527	49,680
Michigan.....	13,179	8,277	10,755	32,211	104,917	137,128	Wisconsin.....	9,485	6,691	4,589	20,765	23,810	44,575
Minnesota.....	10,726	7,560	3,888	22,174	69,642	91,816	Wyoming.....	4,816	3,277	280	8,373	25,836	34,209
Mississippi.....	6,626	5,567	1,393	13,586	32,715	46,301	District of Columbia.....	2,111	1,407	1,489	5,007	38,714	43,721
Missouri.....	11,306	7,740	5,270	24,316	68,869	93,185	Puerto Rico.....	2,111	2,343	1,822	6,275	-----	6,439
Montana.....	7,821	5,426	543	13,790	25,196	38,986							
Nebraska.....	7,688	5,478	1,368	14,534	15,731	30,265							

Mr. McNAMARA. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be considered as original text for purpose of amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEFAUVER. Mr. President, in connection with H.R. 12135 the highway bill, I would like to say that I am very much in favor of the authorization in the public lands highways section of \$24 million over the next 3 fiscal years. I have worked with my colleague, the Senator from Tennessee [Mr. GORE] and my two friends, the Senators from North Carolina [Mr. ERVIN and Mr. JORDAN] in behalf of congressional authorization for a tourist and access road from Tellico Plains, Tenn., to Robbinsville, N.C., in the Cherokee and Nantahala National Forests. The highway bill will give us this authorization.

The road in which I am interested, connecting Tellico Plains, Tenn., and Robbinsville, N.C., would benefit a wide section of the southeastern part of the United States. The benefits for the tourist industry, hotels and motels, gas and service stations, restaurants and sports equipment stores, would be beneficial I am sure in such adjoining States as Georgia, Kentucky, and South Carolina, as well as to the two terminal States, Tennessee and North Carolina.

The reason I have such confidence in the potential economic and recreational benefits of the proposed road is that it would provide access into the largest area of National Forests east of the Mississippi, an area that is largely undeveloped, inaccessible, and unvisited by America's tourists, campers and outdoor recreation seekers. This phenomenon is all the more unusual because this vast and unused land is just south of the Great Smoky Mountain National Park, which today has become one of the most

overcrowded recreation areas of the Nation.

To me it seems quite obvious that under such circumstances any reasonable alternative to these crowded park conditions should be carefully explored and developed. It is also obvious to me that the road we are discussing this morning is a feasible project, from both the economic and engineering standpoint.

This conclusion of feasibility is not merely the view of the congressional representatives of the areas affected, or the local people. The Department of Agriculture, Forest Service, in a preliminary reconnaissance report entitled, "Cherokee and Nantahala National Forests, Tellico-Robbinsville Highway in Tennessee and North Carolina" has done a fine job of outlining, describing, and enthusiastically endorsing the road in its entirety.

I would also like to mention that this road is not a new or recent idea either to the congressional delegation or the local people. This road has been discussed, planned, and promoted for 5 or 6 years, and many people from Tennessee and North Carolina have been in touch with me for several years as we planned and worked together to build our case for the approval of this fine roadway. Earlier this year, when the Forest Service budget was under consideration by the Senate Appropriations Committee, many witnesses testified in favor of the road and later, in its report, the Appropriations Committee noted that "a strong and convincing presentation was made to the committee for funds to construct a road linking the Cherokee National Forest in Tennessee with the Nantahala National Forest in North Carolina. Lack of authorization prevented committee consideration of the proposal. It is the committee's hope that a request for authorization will be placed before appropriate legislative committees for attention."

To provide this needed authorization, on May 9, 1962, I introduced along with Senators GORE, ERVIN, and JORDAN an amendment to S. 3136, the highway bill, to authorize the appropriation of \$2½ million in fiscal 1964 and an identical amount in fiscal 1965, for the construction of the Tellico Plains-Robbinsville Road.

Thereafter the Senate Public Works Committee increased the proposed authorization for public lands highways from \$6 million over 2 fiscal years to \$24 million over 3 fiscal years, and the latter is the amount before the Senate today.

I ask the Senate's most careful consideration of this authorization, which would create a fine road to open up vast new areas of beautiful, primitive forests, mountains, streams, and lakes for millions of Americans seeking wholesome outdoor recreation.

CONTINUING APPROPRIATIONS FOR DEPARTMENT OF AGRICULTURE AND FOREIGN CREDIT ADMINISTRATION, FISCAL YEAR 1963—REPORT OF A COMMITTEE (S. REPT. NO. 2277)

Mr. RUSSELL. Mr. President, from the Committee on Appropriations, I report an original joint resolution to provide continuing appropriations for the Department of Agriculture and the Farm Credit Administration for the fiscal year 1963, and I submit a report to be filed therewith.

Mr. President, I ask unanimous consent that the pending bill may be temporarily laid aside and that the Senate may proceed to the consideration of the joint resolution which has just been reported from the Committee on Appropriations.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The joint resolution (S.J. Res. 234) making continuing appropriations for the Department of Agriculture and the Farm Credit Administration for the fiscal year 1963, was read twice by its title.

THE PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. RUSSELL. Mr. President, the committee of conference, particularly the conferees on the part of the Senate, have met with almost insuperable and what appear to be unnecessary difficulties in the consideration of the regular appropriation bill for the Department of Agriculture and the Farm Credit Administration, which, incidentally, reached the Senate on July 25, almost one month after the beginning of the fiscal year. I shall not discuss the difficulties in detail; I shall probably do so at a later date, before adjournment sine die. However, I think it is prudent that the Senate pass the continuing resolution at this time, in the eventuality that it is impossible for the conferees to reach agreement on the regular appropriation bill.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 234) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there is appropriated out of any money in the Treasury not otherwise appropriated, and out of the applicable corporate and other revenue, receipts, and funds, such amounts as may be necessary for continuing, during the fiscal year 1963, projects or activities which were conducted in the fiscal year 1962 by the Department of Agriculture, including the corporations therein, and the Farm Credit Administration, at a rate for operations not in excess of the current rate (amount appropriated or authorized to be expended in the fiscal year 1962) or the rate provided for in the budget estimate (amount estimated to be appropriated or estimated to be expended in the fiscal year 1963) whichever is lower, except that the 1963 Agricultural Conservation Program shall not exceed \$250,000,000.

Mr. RUSSELL. Mr. President, I move that the Senate reconsider the vote by which the joint resolution was passed.

Mr. BARTLETT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3631) to amend title 13, United States Code, to preserve the confidential nature of copies of reports filed with the Bureau of the Census on a confidential basis.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5700) to

amend the Tariff Act of 1930 to permit the designation of certain carriers as carriers of bonded merchandise; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. KING of California, Mr. BOGGS, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

The message further announced that the House further insisted upon its disagreement to the amendment of the Senate to the bill (H.R. 7927) to adjust postal rates, and for other purposes; asked a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY, Mr. MORRISON, and Mr. CORBETT were appointed managers on the part of the House at the further conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 8952) to amend the Internal Revenue Code of 1954 with respect to the conditions under which the special constructive sale price rule is to apply for purposes of certain manufacturers excise taxes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. KING of California, Mr. BOGGS, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H.R. 1691. An act for the relief of Elaine Veronica Brathwaite; and

H.R. 10605. An act for the relief of Joan Rosa Orr.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 12402 for the relief of Concetta Maria, Rosetta, and Tomasio Mangiaracina.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 136. An act for the relief of Dinko Dorcic;

S. 320. An act to amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce with a State;

S. 453. An act for the relief of Robert J. Scanlan;

S. 689. An act for the relief of Karl Heinz Agar;

S. 1263. An act for the relief of Marie Margaret Arvanetes;

S. 1651. An act to authorize the Commissioners of the District of Columbia to dele-

gate the function of approving contracts not exceeding \$100,000;

S. 1999. An act for the relief of Anna Marie Erdelyi;

S. 2568. An act to amend the act of September 7, 1950, to extend the regulatory authority of the Federal and State agencies concerned under the terms of the Convention for the Establishment of an Inter-American Tropical Tuna Commission, signed at Washington May 31, 1949, and for other purposes;

S. 2667. An act for the relief of Sebastiana Santoro;

S. 2687. An act for the relief of Robert D. Barbee;

S. 2690. An act for the relief of Mona McIsaac Downey;

S. 2697. An act to waive certain time limitations prescribed in chapters 33 and 35 of title 38, United States Code, in the case of certain veterans and eligible persons ordered to active duty with the Armed Forces, or whose period of duty with the Armed Forces was involuntarily extended, on or after August 1, 1961;

S. 2711. An act for the relief of Tasia Demetropoulou (Dimitropoulos);

S. 2753. An act for the relief of Duk Man Lee and Soon Mal Lee;

S. 2777. An act for the relief of Arild Ericksen Sandli;

S. 2795. An act to prohibit the use by collecting agencies and private detective agencies of any name, emblem, or insignia which reasonably tends to convey the impression that any such agency is an agency of the government of the District of Columbia;

S. 2836. An act for the relief of Carmelo Rafala;

S. 2902. An act for the relief of Sumiko Takahashi;

S. 2908. An act for the relief of Rosa Fumarola Balice;

S. 2922. An act for the relief of Raymond Chester Hendon;

S. 2950. An act for the relief of Dwijendra Kumar Misra;

S. 2992. An act for the relief of Michelangelo Comito (Nati);

S. 3085. An act for the relief of Paul Huygelen and Luba A. Huygelen;

S. 3265. An act for the relief of Respina Anastos (Psychopeda);

S. 3267. An act for the relief of Gunter Heinz Hillebrand;

S. 3275. An act for the relief of Anna Sciamanna Misticoni;

S. 3295. An act for the relief of Mathew Lengyel (also known as Brother Paul, S.V.D.);

S. 3336. An act for the relief of Lazaro Loyola Aringue, Jr.;

S. 3390. An act for the relief of Nalfe Kahl;

S. 3452. An act for the relief of Dr. Hassan M. Nouri;

S. 3504. An act to provide for alternate representation of secretary officers on the Migratory Bird Conservation Commission, and for other purposes;

S. 3557. An act for the relief of Betty Sandra Fagan;

S. 3600. An act for the relief of Chao Hua-Hsih;

H.R. 946. An act to extend to oyster planters the benefits of the provisions of the present law which provide for production disaster loans for farmers and stockmen;

H.R. 1362. An act for the relief of Calogera Virone Messina;

H.R. 1483. An act for the relief of Priscillo Jorj Sisson and Evelyn Sisson;

H.R. 1598. An act for the relief of Michael Anthony Dedetsinas;

H.R. 2978. An act for the relief of Rosa and Rita Quattrocchi;

H.R. 4483. An act for the relief of Simon Karasick;

H.R. 5695. An act for the relief of Forrest L. Gibson;

H.R. 6987. An act for the relief of Maj. William R. Cook;

H.R. 7600. An act to amend title 38, United

States Code, to revise the effective date provisions relating to awards, and for other purposes;

H.R. 7617. An act for the relief of John W. Schleiger;

H.R. 7876. An act relating to the effective date of the qualification of the joint pension plan for employees of Local Unions 645, 1507, and 1511, Brotherhood of Painters, Decorators, and Paperhangers of America as a qualified trust under section 401(a) of the Internal Revenue Code of 1954;

H.R. 8855. An act for the relief of Marie Silva Arruda;

H.R. 9469. An act for the relief of Charles L. Kays;

H.R. 9491. An act to provide for the removal of an encumbrance on the title of certain real property heretofore conveyed to the board of education of the Vallejo School District, Vallejo, Calif., by the U.S. Housing Corp.;

H.R. 9590. An act for the relief of Lt. Col. Edward Hirsch;

H.R. 9737. An act to amend section 641 of title 38, United States Code, to provide that deductions shall not be made from Federal payments to a State home because of amounts collected from the estates of deceased veterans and used for recreational or other purposes not required by State laws, and to amend chapter 35 of such title in order to afford educational assistance in certain cases beyond the age limitations prescribed in such chapter;

H.R. 10316. An act for the relief of Leopoldo Rocha Canas and Teofilo Caoile Servito;

H.R. 10897. An act for the relief of Joseph Hammond;

H.R. 11552. An act for the relief of Henry E. Keiser;

H.R. 11594. An act to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

H.R. 11678. An act to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Northern District of Ohio, Eastern Division, holding court at Akron, Ohio;

H.R. 11732. An act to amend section 305 of the Communications Act of 1934, as amended;

H.R. 12080. An act to permit domestic banks to pay interest on time deposits of foreign governments at rates differing from those applicable to domestic depositors;

H.R. 12092. An act for the relief of Arthur H. Brackbill;

H.R. 12093. An act for the relief of Joseph Wolf, Jr.;

H.R. 12451. An act to authorize reimbursement to appropriations of the U.S. Secret Service of moneys expended for the purchase of counterfeits; and

H.R. 12653. An act to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase the limitation on the amount of loans which may be insured under subtitle A of such act.

FEDERAL-AID HIGHWAY ACT OF 1962

The Senate resumed the consideration of the bill (H.R. 12135) to authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code and for other purposes.

Mr. MORSE. Mr. President, all of us are greatly indebted to the Senator from Michigan for his magnificent work in successfully moving the road bill through the various channels to the point of passage.

There is absolutely no doubt that this highway bill will do more for natural resource development than has any other highway bill which has been considered by the Senate while I have been in the Senate.

The members of the Senate and House committees and President Kennedy deserve credit for the excellence of the bill. The funds provided for forest roads and public land development roads are based on the recommendations of the President.

For forest development roads, a total of \$60 million has been provided for 1963, \$70 million for 1964, and \$85 million for 1965.

I compare the record of this administration with that of its predecessor, which time and again recommended against the provision of funds for forest roads. I compare the record of this Congress with that of previous Democratic Congresses. Previous Democratic Congresses consistently reversed the recommendations of the Eisenhower administration.

In the 84th Congress, \$54 million was authorized, \$6 million over the previous biennium.

In the 85th Congress, \$60 million was authorized, again a \$6 million increase in the face of another Eisenhower administration recommendation against an increase.

In the 86th Congress, \$75 million was authorized, an increase of \$15 million, this in the face of an Eisenhower administration recommendation against any authorization.

Now, under President Kennedy's leadership, we are adding \$20 million to the \$75 million authorized previously for the biennium ending in 1963. Also, we are authorizing \$155 million for the new biennium, in all an increase of \$100 million over that for the previous biennium.

Mr. President, the forest roads are the backbone of forest management in the national forests. Among other things, they sustain the cutting of timber according to sound conservation practices.

The 154 national forests and 18 national grasslands in the national forest system consist of 186 million acres of Federal lands in 39 States and the Commonwealth of Puerto Rico. These lands produce water, timber, forage, recreation services, fish, big game, other wildlife, and minerals. They include the most important watersheds in the West and the headwater lands of many important rivers in the East.

The forest development system at present consists of 179,213 miles of roads and 106,577 miles of trails. It is estimated that when completely installed this system will consist of 542,250 miles of access roads and that the trail network will be reduced to 80,000 miles. The total cost of completing this eventual system is \$6.7 billion.

The development program for the national forests which was submitted to the Congress September 21, 1961, sets forth the resource management and development work needed in the national forests during fiscal years 1963-72 to assure that the forests will meet their full share of present and future public needs.

The access road and trail program is

essential for protection of national forest resources from fire, insects, and disease; facilitates the use for recreation, hunting, and fishing resources; increases the volume of timber that can be marketed, especially for small sales, and the support of dependent communities and small business enterprises; and increases the level of salvage cutting of dead and dying timber stands and the opportunity to promptly salvage losses resulting from fire, windstorm, insects, and disease.

The current receipts from national forest timber exceed \$100 million. These financial revenues will rise to about \$230 million annually by the time the 10-year program is completed from the annual sale of 13 billion board feet of sawtimber expected to be reached. On the basis that the end products from this timber will be worth about \$20 by the time they reach the ultimate consumer for every dollar of national forest stumpage sold, the total consumer value will be over \$4 billion. Payments from national forest revenues for county schools and roads will increase accordingly.

At the present time the national forests supply high-quality water to 1,800 towns and cities in the West, including some of our great and growing metropolitan areas. Irrigation use and outdoor recreation associated with the 3 million acres of lakes and 81,000 miles of streams in the national forests will continue to grow. By 1975 alone it is estimated that our use of water will double, and by the year 2000 it will be necessary to derive at least 200 million acre-feet of water from national forests' watersheds.

Recreational use of the national forest system is increasing at an extreme, rapid rate, as our growing population seeks rest, relaxation, and pleasure in isolated and scenic areas. National forest use for recreation purposes has risen from approximately 27 million visits in 1950 to over 100 million in 1961, with estimates of 195 million visits by 1972, and a probable of 635 million by the year 2000. Forest development road and trail funds can be used for vehicular parking areas and for sanitary, water, and fire control facilities, which assists in the development of the recreational resources of the national forests. The committee was advised that about 17 percent of the road and trail portion of the national forest program is used for roads needed for recreation, and that the 10-year program includes 8,000 miles of roads which are of primary importance for recreation.

The funds in this bill are urgently needed to keep the roadbuilding program more nearly on schedule and provide the access needed to harvest the projected timber cut, and meet the critical needs for recreation and fire roads.

In recent months the depressed condition of the lumber industry has emphasized the need for immediate remedial action. After a recent White House conference, a program designed to assist the lumber industry and improve its competitive position was announced. One of the steps outlined was the acceleration of the forest development road and trail program to provide

14. AGRICULTURAL APPROPRIATION BILL, 1963. Considered further the conference report on this bill, H. R. 12648, and disagreed to the House amendment to Senate amendment No. 2 (relating to research and demonstrations on the production and utilization of agricultural products), and insisted further on the Senate amendments which are in disagreement. p. 21289
15. SUPPLEMENTAL APPROPRIATION BILL, 1963. Sen. Russell made a point of order against the filing of the report of the Appropriations Committee on this bill, H. R. 13290. Sen. Smathers gave notice of his intention to object to the consideration of this bill until it has lain at the desk for three days after having been reported. (pp. 21307-10). Sen. Holland stated that he would file the report on this bill on Mon., Oct. 8. (p. 21383)
and
16. FARM PROGRAM. Sen. Morse commended the western regional Land/People Conference held in Portland, Ore., on Oct. 1 and 2, and inserted an article summarizing the work of the conference. pp. 21380-1
17. COTTON. Sen. Holland inserted an article by Sen. Eastland, "We've Got to Move to Save Cotton," in which he reviews the present situation regarding cotton and states that the price of cotton has to be lowered in order to make it more competitive in the world market. p. 21337
18. AGRICULTURAL CONSERVATION PROGRAM. Sen. Humphrey commended the ACP program and inserted an article explaining the purpose and accomplishment of the program. pp. 21330-1
19. FORESTRY. Passed without amendment H. R. 12434, to facilitate the work of the Forest Service (p. 21303). This bill will now be sent to the President. This bill includes provisions as follows: Authorizes the Secretary to exchange lands under the jurisdiction of the Forest Service for which no exchange authority now exists. Removes the 20-year limitation on the authority of the Secretary to revest in rightful owners by quitclaim deed title to lands under his administration acquired by mistake, etc. Authorizes the Secretary to provide (not to exceed \$35,000 annually) recreation facilities, equipment and services for certain employees of the Forest Service at isolated locations. Repeals the Forest Homestead Act which authorizes and directs the Secretary to classify National Forest lands chiefly valuable for agriculture for homestead entry. Repeals provisions of law which directs the Secretary "to sell at actual cost, to homestead settlers and farmers, for their domestic use, the mature, dead, and down timber in National Forests." Reduces the penalty for certain violations of regulations of the Secretary relating to the National Forests and National Grasslands to petty offenses. Increases from \$500 to a maximum of \$2500 the authorization to reimburse owners of private property for damage or destruction to their property caused by non-negligent action of Forest Service employees. Authorizes the use of Forest Service funds to pay expenses of, or assessments for, construction of sidewalks, curbs, or street paving along the boundary of Government-owned residential lots. Removes the limitation on the amount of capitalization in the Forest Service working capital fund.
Sen. Morse inserted a letter from Secretary Freeman refuting charges in a newspaper editorial that the location of forest fire research laboratories were based on political influence. pp. 21381-2
20. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 5698, to extend the apportionment requirement of the Civil Service Act to temporary summer employment (S. Rept. 2283). p. 21290

21. TRANSPORTATION. Conferees were appointed on H. R. 5700, to authorize the Secretary of the Treasury to designate any contract carrier, authorized to act as such by any agency of the U. S., as a carrier of bonded merchandise for the final release of which from customs custody a permit has not been issued (p. 21315). House conferees have already been appointed.
22. FOREIGN TRADE. Sen. Proxmire commended the State Department "on their ingenious action in planning to put into effect 2 weeks from now a program which will put real pressure upon our allies and other countries to stop trading with Cuba." pp. 21315-7
23. ELECTRIFICATION. Sen. Neuberger inserted a speech by Federal Power Commissioner Howard Morgan discussing "the technique of the Russians in long-distance power transmission." pp. 21317-9
24. SURPLUS FOOD. Sen. Hart inserted a resolution of the Mich. Certified Seed Potato Growers Assoc., Inc., urging additional use of surplus food to feed hungry people of the world. pp. 21329-30
25. BRIDGES; INSPECTION. Passed as reported H. R. 683, to authorize the Donna-Rio Bravo Bridge Co. to construct, maintain, and operate a toll bridge across the Rio Grande near Donna, Tex. p. 21338
26. CONSERVATION. Sen. Proxmire inserted an article urging greater efforts for the conservation of our natural resources. pp. 21352-3
27. FOREIGN TRADE. Sen. Kerr inserted a statement by Rep. Mills on the responsibilities of the special representative for trade negotiations who is to be appointed by the President under the recently passed foreign trade bill. pp. 21353-4
28. FEDERAL EXPENDITURES. Sen. Robertson expressed concern over Federal expenditures and inserted a tabulation of surpluses and deficits for the fiscal years 1789 to 1963. pp. 21361-2
29. FARM LABOR; WOOL. Passed with amendments H. R. 12213, to provide for the temporary suspension of the duties on corkboard insulation and on cork stopper (pp. 21365-71). Agreed to an amendment by Sen. Bush to provide for the free importation of Karakul wools and other wools of whatever blood or origin not finer than 40s for use in glass polishing (pp. 21368-9). Agreed to an amendment by Sen. Williams, N.J., to authorize appropriations to provide day-care facilities for children of migratory agricultural workers (pp. 21370-1).
30. LEGISLATIVE PROGRAM. Sen. Mansfield stated that conference reports on the State-Justice-Commerce appropriation bill and the public works authorization bill will be considered Mon., Oct. 8. p. 21382
31. ADJOURNED until Mon., Oct. 8. p. 21395

HOUSE - October 6

32. FOREIGN AID APPROPRIATION BILL, 1963. By a vote of 171 to 108, agreed to the conference report on this bill, H. R. 13175, and acted on amendments in disagreement. pp. 21498-506
33. PERSONNEL. Rep. Monagan commended the service of Albion Patterson, recently retired from the position of Director of the AID mission in Argentina, for his efforts in eliminating foot-and-mouth disease in Argentina. pp. 21511

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, if the distinguished Senator from Montana does not object, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read, for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of October 2, 1962, p. 20596, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Mr. President, I move that the Senate disagree to the amendment of the House to Senate amendment No. 2.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Georgia.

Mr. KUCHEL. Mr. President, I should like to ask the able Senator from Georgia whether implicit in his motion is merely reaffirmation of the position he took—and on which the Senate followed him, the other day—with respect to the research project item.

Mr. RUSSELL. That is all it amounts to. The same amendment is involved in this motion. Therefore, Mr. President, I ask unanimous consent that the Senate disagree to the action of the House in accepting amendment No. 2, as amended. The House action also involved amendments Nos. 1 and 6.

The ACTING PRESIDENT pro tempore. According to the report, the House agreed to Senate amendment No. 1, and also to Senate amendment No. 6.

Mr. RUSSELL. I read the Record this morning; and it stated that the House receded on amendment No. 2, with an amendment which included in part the language in Senate amendments No. 1 and 6.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is correct.

Mr. RUSSELL. I move that the Senate disagree to the House amendment to Senate amendment No. 2.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, I move that the Senate further insist on its amendments Nos. 19, 44 and 47 through 54.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Mr. President, I move that the Senate reconsider its action in disagreeing to these amendments.

Mr. TALMADGE. Mr. President, I move that the motion to reconsider be laid on the table.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

LIMITATION OF DEBATE DURING MORNING HOUR

The ACTING PRESIDENT pro tempore. The question recurs on agreeing to the request of the Senator from Montana [Mr. MANSFIELD] that statements during the morning hour be limited to 3 minutes.

Mr. RUSSELL. Mr. President, I should like to ask the distinguished majority leader—I had hoped to discuss this matter with him before the Senate convened this morning, but he did not arrive until just before the session opened—whether he has any objection to including in the request in regard to the morning hour a provision that no reports from standing committees be received during the morning hour.

Mr. MANSFIELD. Mr. President, that is perfectly agreeable.

Mr. RUSSELL. Mr. President, with that statement and with that inclusion in the unanimous-consent request, I have no objection.

The ACTING PRESIDENT pro tempore. Is there objection to the request, as amended? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, is the Senate now in the morning hour?

The ACTING PRESIDENT pro tempore. Yes.

CALL OF THE ROLL

Mr. MANSFIELD. I suggest the absence of a quorum; and I notify the attachés that this may well be a "live" quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

[No. 308 Leg.]

Boggs	Jordan, N.C.	Proxmire
Burdick	Kuchel	Robertson
Bush	Lausche	Russell
Case	Long, Hawaii	Smathers
Church	Mansfield	Smith, Mass.
Dodd	McGee	Sparkman
Douglas	McKee	Symington
Fong	Monroney	Talmadge
Gore	Morse	Williams, Del.
Hart	Neuberger	Young, N. Dak.
Javits	Pell	Young, Ohio

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Alaska [Mr. BARTLETT], the Senator from Colorado [Mr. CARROLL], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from California [Mr. ENGLE], the Senator from Alabama [Mr. HILL], the Senator from Washington [Mr. JACKSON], the Senator from Tennessee [Mr. KE-

FAUVER], the Senator from Washington [Mr. MAGNUSON], the Senator from Maine [Mr. MUSKIE], and the Senator from South Carolina [Mr. THURMOND] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Wyoming [Mr. HICKEY], and the Senator from Missouri [Mr. LONG] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Utah [Mr. BENNETT], the Senator from South Dakota [Mr. BORUM], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], the Senator from Nebraska [Mr. HRUSKA], the Senator from Idaho [Mr. JORDAN], the Senator from Kentucky [Mr. MORTON], the Senator from Kansas [Mr. PEARSON], the Senator from Texas [Mr. TOWER], and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The Senator from Colorado [Mr. ALLOTT] is absent by leave of the Senate on official business as a U.S. representative to the General Assembly of the United Nations.

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. BEALL, Mr. BIBLE, Mr. BYRD of Virginia, Mr. BYRD of West Virginia, Mr. CANNON, Mr. COOPER, Mr. CURTIS, Mr. DIRKSEN, Mr. EASTLAND, Mr. ELLENDER, Mr. ERVIN, Mr. HARTKE, Mr. HAYDEN, Mr. HOLLAND, Mr. HUMPHREY, Mr. JOHNSTON, Mr. KEATING, Mr. KERR, Mr. LONG of Louisiana, Mr. MCCARTHY, Mr. McCLELLAN, Mr. McNAMARA, Mr. MILLER, Mr. MOSS, Mr. MUNDT, Mr. MURPHY, Mr. PASTORE, Mr. PROUTY, Mr. RANDOLPH, Mr. SALTONSTALL, Mr. SCOTT, Mrs. SMITH of Maine, Mr. STENNIS, Mr. WILLIAMS of New Jersey, and Mr. YARBOROUGH entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. BURDICK in the chair). A quorum is present.

Mr. MANSFIELD. Mr. President, is the Senate in the morning hour?

The PRESIDING OFFICER. It is.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT UNDER MUTUAL DEFENSE ASSISTANCE CONTROL ACT OF 1951

A letter from the Secretary of State, transmitting, pursuant to law, a confidential report under the Mutual Defense Assistance

Control (Battle) Act of 1951 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON GIFTS AND BEQUESTS RECEIVED BY THE U.S. NATIONAL COMMISSION FOR THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

A letter from the Acting Secretary of State, transmitting, pursuant to law, a report on gifts and bequests received by the U.S. National Commission for the United Nations Educational, Scientific, and Cultural Organization, during the fiscal year 1962 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON REVIEW OF EXTENT TO WHICH MILITARY PROCUREMENT AGENCIES AND PRIME CONTRACTORS HAVE OBTAINED CERTIFICATIONS AS TO THE ACCURACY AND COMPLETENESS OF COST DATA USED IN NEGOTIATION OF CONTRACT PRICES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of extent to which military procurement agencies and prime contractors have obtained certifications as to the accuracy and completeness of cost data used in negotiation of contract prices, dated October 1962 (with an accompanying report); to the Committee on Government Operations.

PROPOSED CONCESSION CONTRACT ON BLUE RIDGE PARKWAY

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract with Pisgah Inn, Inc., on a portion of the Blue Ridge Parkway (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES

By unanimous consent, the following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1961. A bill for the relief of 1st Lt. Charles M. Cox, U.S. Army (retired) (Rept. No. 2282).

By Mr. ERVIN, from the Committee on the Judiciary, without amendment:

H.R. 9777. An act to amend Private Law 87-197 (Rept. No. 2281).

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, without amendment:

H.R. 5698. An act to extend the apportionment requirement in the Civil Service Act of January 16, 1883, to temporary summer employment, and for other purposes (Rept. No. 2283).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD (for Mr. MAGNUSON):

S. 3789. A bill for the relief of Fun Wat Hoy; to the Committee on the Judiciary.

By Mr. MCCARTHY:

S. 3790. A bill to authorize the Secretary of the Army to convey to the city of St. Paul, Minn., all right, title, and interest of the United States in and to certain lands heretofore conveyed to such city; to the Committee on Armed Services.

By Mr. DODD:

S. 3791. A bill to establish a Federal Chemical Council to study and make recommendations concerning insecticides, herbicides, rodenticides, and related chemical products; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. DODD when he introduced the above bill, which appear under a separate heading.)

By Mr. CURTIS (for Mr. CAPEHART): S. 3792. A bill for the relief of Miss Markala P. Rotofanousi; to the Committee on the Judiciary.

By Mr. SMITH of Massachusetts: S. 3793. A bill to amend title 38, United States Code, to provide a statutory presumption of "line of duty" incurrence of injury or disease; to the Committee on Finance.

By Mr. MOSS: S. 3794. A bill for the relief of J. Arthur Fields; to the Committee on the Judiciary.

By Mr. ERVIN: S. 3795. A bill to amend title 28, United States Code, to provide means of redress for the unlawful seizure of American property by foreign governments; to the Committee on the Judiciary.

(See the remarks of Mr. ERVIN when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS (for himself and Mr. DOUGLAS):

S. 3796. A bill to amend the War Claims Act of 1948, as amended, to provide compensation for certain additional losses; to the Committee on the Judiciary.

By Mr. PELL: S. 3797. A bill for the relief of Anne B. Mason; to the Committee on the Judiciary.

By Mr. PROXMIRE: S.J. Res. 236. Joint resolution to authorize the Architect of the Capitol to construct the third Library of Congress building in square 732 in the District of Columbia, and to provide that such building shall be designated the "Madison Memorial Library"; to the Committee on Public Works.

**CONCURRENT RESOLUTION
MEMORIAL TO MARY McLEOD
BETHUNE**

Mr. JAVITS submitted a concurrent resolution (S. Con. Res. 98) favoring a memorial to Mary McLeod Bethune, which was referred to the Committee on Rules and Administration.

(See the above concurrent resolution printed in full when submitted by Mr. JAVITS, which appears under a separate heading.)

**RESOLUTION
DELIVERY OF CERTAIN PAPERS TO
ATTORNEY GENERAL OF INDIANA
AND ATTENDANCE OF CERTAIN
FORMER EMPLOYEES OF THE
SENATE TO TESTIFY IN A CASE
PENDING BEFORE THE SUPREME
COURT OF THAT STATE**

Mr. McCLELLAN, from the Committee on Government Operations, reported an original resolution (S. Res. 412) authorizing the delivery of certain papers to the attorney general of the State of Indiana and the attendance of certain former employees of the Senate to testify in a case pending before the supreme court of that State, which was considered and agreed to.

(See the above resolution printed in full when reported by Mr. McCLELLAN, which appears under a separate heading.)

**PROPOSED FEDERAL CHEMICAL
COUNCIL**

Mr. DODD. Mr. President, in a significant and timely speech a few days

ago, former Secretary of Health, Education, and Welfare Abraham Ribicoff expressed the concern many Americans feel over the possible danger posed by the widespread use of chemicals in industry and agriculture. He pointed out that each year thousands of new chemical compounds are developed and between 400 and 500 are introduced for common use.

Mr. Ribicoff said:

It would be tragic to go on polluting the soil, the atmosphere and our streams with unlimited quantities of the latest chemical compounds without careful analysis of the potential dangers and the establishment of standards and tolerances where necessary.

The chemicals which we use today combat insects, eradicate rodents, and have reduced to the vanishing point many once dangerous diseases. They have done much for the productivity of agriculture, forestry, and industry, and have thus contributed to the health and prosperity of the American people. On the other hand, the fear has often been expressed that some of these chemicals may not be as beneficial as we believe them to be, and may adversely effect the balance of nature.

Mr. Ribicoff believes that the time has come to establish a Federal Chemical Council to inquire into the uses and effects of agricultural and industrial chemicals. If apprehensions about their impact are justified, then standards and tolerances should be set for their use; if they are unjustified, then the fears of the American people should be allayed.

Mr. Ribicoff has had invaluable experience in questions of this kind. During his tenure as Secretary of Health, Education and Welfare, he served as Chairman of the Federal Radiation Council which set tolerances and established standards for admissible radiation, a task which did much to reduce the apprehension about radiation generally felt by the public.

In 1961 he created the Federal Pest Control Review Board with the cooperation of the Departments of Agriculture, Interior, Defense and Health, Education and Welfare, to establish requirements and standards for pest control in order to avoid the absorption of poisons into agricultural products.

The creation of a Federal Chemical Council to inquire into the ecological and other effects of the enormous quantities of chemicals used in agriculture and industry would not require extensive legislation; research in these and related matters is constantly being made by various government departments, so that a statute would merely require the coordination of such inquiries.

While present law gives the Secretary broad authority to conduct research and inquiries, the cooperation of the Departments of Agriculture, Interior, and Defense is necessary for the work of the Federal Chemical Council; and it is not provided in the present statute. It is for these reasons that I introduce for the consideration of the Senate a proposed statute to establish a Federal council to study and make recommendations concerning insecticides, herbicides, rodenticides, and related chemical products.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Oct. 9, 1962
For actions of Oct. 8, 1962
87th-2d, No. 184

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HIGHLIGHTS; Sen. Mundt criticized farm program. Sen. Proxmire opposed mandatory controls on feed grains. Sen. Russell defended his position in USDA appropriation bill controversy. Senate agreed to conference report on foreign aid appropriation bill. Sen. Smathers objected to immediate consideration of supplemental appropriation bill. House received conference report on State-Justice-Commerce appropriation bill. Rep. Saylor criticized speech by general manager of National Rural Electric Cooperation Association.

HOUSE

1. STATE-JUSTICE-COMMERCE APPROPRIATION BILL, 1963. Received the conference report on this bill, H. R. 12580 (H. Rept. 2546)(pp. 21590-2). This bill includes \$115,480,000 for the Area Redevelopment Administration, and \$3,695,000 for export control.
2. PERSONNEL. Several Representatives criticized difficulty in obtaining information from the executive agencies with regard to summer employment, and Rep. Beckworth inserted a table showing the summer employment in this Department in detail. pp. 21607-24
3. ELECTRIFICATION. Rep. Saylor criticized speech by the general manager of the National Rural Electric Cooperative Association and criticized the inclusion of certain projects in the omnibus rivers, harbors, and flood control bill. pp. 21599-601

4. MINING. Received the conference report on S. 3451, to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed (H. Rept. 2545). pp. 21589-90, 21628
5. MONOPOLIES. Rep. Pfoz urged enactment of the proposed Quality Stabilization Act before adjournment. pp. 21624-5
6. LEGISLATIVE ACCOMPLISHMENTS. Several Representatives reviewed the legislative accomplishments of this session of Congress. pp. 21604-7, 21626-8

SENATE

7. FARM PROGRAM. Sen. Mundt criticized the Administration's farm program, stating that "The farmers should know that in 1964 they face catastrophic consequences as a result of the 1962 Farm Act with its program of flexible, falling farm supports which far out-Benson Ezra Benson," and inserted a New York Times story to support his position. pp. 21556-7
Sen. Proxmire referred to the Times story, expressed his opposition to mandatory controls of feed grains, and stated that "if a mandatory controls program were adopted by Congress, farmers will very likely vote them down at least the first year or two." pp. 21564-5
8. AGRICULTURAL APPROPRIATION BILL, 1963. Sen. Russell defended his position in the controversy over this bill, stated that there has been persistent misrepresentation of the issues involved, that the "issue is whether the Senate has a right to amend an appropriation bill in any and every respect," and inserted his correspondence with Secretary Freeman in support of the establishment of a peanut research laboratory in Ga. Sen. Keating commended Sen. Russell's statement. pp. 21550-1
9. SUPPLEMENTAL APPROPRIATION BILL, 1963. The Appropriations Committee reported with amendments this bill, H. R. 13290 (S. Rept. 2285). Sen. Smathers invoked the Senate rule requiring that the appropriation bill lie on the table for three days after being reported. The Chair stated that the bill could not be considered before next Fri. (pp. 21524-5). Attached to this Digest is a summary of items for this Department.
10. FOREIGN AID APPROPRIATION BILL, 1963. Agreed to the conference report on this bill, H. R. 13175, and acted on amendments in disagreement (pp. 21548-56, 21572-5). This bill will now be sent to the President. As agreed to the bill includes \$225,000,000 for development grants, \$975,000,000 for development loans, \$30,000,000 for investment guaranties, \$425,000,000 for the Alliance for Progress with Latin America, \$59,000,000 for the Peace Corps, \$2,000,000,000 for the International Monetary Fund, and \$1,295,000,000 for the Export-Import Bank of Washington.
11. TRANSPORTATION. Agreed to the conference report on H. R. 5700, to permit the Secretary of the Treasury to designate any contract carrier, authorized to act as such by an agency of the U. S., as a carrier of bonded merchandise for the final release of which from customs custody a permit has not been issued. pp. 21561-2
Received from the Commerce Committee its report, "Implementation of the Cargo Preference Laws by the Administrative Departments and Agencies" (S. Rept. 2286). p. 21525
12. ECONOMICS. Sen. Proxmire inserted an article by Federal Reserve Board member George Mitchell, "Count Monetary Policy in the Past 6 Months Have Made a Greater Contribution to Our Overall Economic Well-Being?" pp. 21526-8

ing an analysis of American military aid over the years to Latin America, and deployed it, as I have long deplored.

I opposed the final authorization bill for foreign aid. I opposed the appropriation bill for foreign aid. I felt that at least in the Senate we should have eliminated a good many millions of dollars of waste in the appropriation bill. That we did not do. We ought to have tackled more forthrightly than we did the problem of loans versus grants.

I did not cast a popular vote when I voted against foreign aid. If anyone thinks I did, let him come to my office and read the mail that I have received on this subject. However, I cast a vote that I believe is right. Time will prove me right, because we cannot justify the waste that we have been guilty of in the foreign-aid bill.

The Senator from Louisiana [Mr. ELLENDER] was very persuasive. The RECORD shows that I voted for amendment after amendment that the Senator from Louisiana offered. He brought out the millions of dollars in the pipeline with regard to military expenditures. He pointed out that we could have cut, much more drastically than the conference report cuts, the appropriations for military expenditures and still not weaken the security of the United States, but possibly teach our allies that the time has come for them to assume a greater obligation than they have thus far assumed.

There is no doubt that the conference report is a great improvement over the appropriation bill the Senate passed.

Mr. President, these savings are gratifying. However, in my judgment it is no longer a question of the dollar sign in the foreign aid bill. It is not a question of whether X money or Y money is saved. The problem about the foreign aid program is a matter of structure of the foreign aid bill, from the standpoint of the foreign policy involved in it. It has many weaknesses from the standpoint of its structures.

It has many weaknesses with respect to the question of loans versus grants. It has still many weaknesses with respect to the public policy as it affects the supply of military assistance to various totalitarian regimes throughout the world. It is an unsound public policy; and so far as the senior Senator from Oregon is concerned, the question as to whether the amount shall be X dollars or Y dollars for the support of a bad public policy is immaterial. We should come to grips with the question of the public policy which is involved.

The bill still contains glaring weaknesses with respect to the whole economic aid program as it affects public policy. Are we providing economic aid in the right places; and as a result of not providing aid in the right places, are we not still wasting millions of the taxpayers' dollars? I believe we are. Although as a member of the Committee on Foreign Relations I favor good foreign aid programs, the bill, in my judgment, does not provide for the American people a good foreign aid program.

We must come to grips with the bad policies in the whole foreign aid pro-

gram. If the bad policies in the foreign aid program are corrected, we shall have very little trouble in reaching agreement as to the amounts.

Because the bill is an appropriation bill and not a legislative bill, and deals with policy questions and continues to perpetuate an unsound foreign aid policy, I desire the RECORD to show that I also oppose the conference report.

The PRESIDING OFFICER. Without objection, the conference report is agreed to.

Mr. LAUSCHE subsequently said: Mr. President, when the foreign-aid bill was before the Senate, I made a statement setting forth my reasons for not being able to concur in what was recommended. This afternoon we have before us the appropriation bill adopted pursuant to that authorization. I do not concur in the action taken by the Senate in approving the conference report. The conference report, in a measure, improves the original bill, but not adequately to require my support of the measure. I want the record to show that I do not approve of what was done.

The PRESIDING OFFICER (Mr. METCALF in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 13175, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
October 8, 1962.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 19, 23, and 26 to the bill (H.R. 13175) entitled "An act making appropriations for foreign aid and related agencies for the fiscal year ending June 30, 1963, and for other purposes," and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 4, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted, insert the following:

"*Provided*, That no part of any other appropriation contained in this Act, except funds appropriated under this Act for the contingency fund (not to exceed \$10,000,000), may be used to augment funds or programs contained in this paragraph and no funds shall be transferred from funds appropriated under any other paragraph of title I of this Act to the contingency fund for the purpose of augmenting funds or programs contained in this paragraph."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 18, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendments, insert the following: "and amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Mutual Security Act of 1954, as amended, and the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under "Economic Assistance", are hereby continued available for the same period as the respective appropriations in such subparagraphs for the same general purpose: *Provided*, That such purpose relates to a project previously justified to Congress and the Committees on Appropriations of the House of Representatives and the Senate are notified prior to the reobligation of funds for such projects and no objection is entered by either Committee within 60 days of such notification."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20, and concur therein with an amendment, as follows:

In lieu of the matter stricken out and inserted by said amendment, insert the following:

"SEC. 107. (a) No assistance shall be furnished to any country which sells, furnishes, or permits any ships under its registry to carry to Cuba, so long as it is governed by the Castro regime, under the Foreign Assistance Act of 1961, as amended, any arms, ammunition, implements of war, atomic energy materials, or any articles, materials, or supplies, such as petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war, contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended.

"(b) No economic assistance shall be furnished to any country which sells, furnishes, or permits any ships under its registry to carry items of economic assistance to Cuba so long as it is governed by the Castro regime, under the Foreign Assistance Act of 1961, as amended, unless the President determines that the withholding of such assistance would be contrary to the national interest and reports such determination to the Foreign Relations and Appropriations Committees of the Senate and the Foreign Affairs and Appropriations Committees of the House of Representatives. Reports made pursuant to this subsection shall be published in the Federal Register within seven days of submission to the committees and shall contain a statement by the President of the reasons for such determination."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following:

"SEC. 109. (a) No assistance shall be furnished to any nation, whose government is based upon that theory of government known as Communism under the Foreign Assistance Act of 1961, as amended, for any arms, ammunition, implements of war, atomic energy materials, or any articles, materials, or supplies, such as petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war, contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended.

"(b) No economic assistance shall be furnished to any nation whose government is based upon that theory of government known as Communism under the Foreign Assistance Act of 1961, as amended (except section 215(b)), unless the President determines that the withholding of such assistance would be contrary to the national interest and reports such determination to the Foreign Affairs and Appropriations Committees of the House of Representatives and Foreign Relations and Appropriations Committees of the Senate. Reports made pursuant to this subsection shall be published in the Federal Register within seven days of submission to the committees and shall contain a statement by the President of the reasons for such determination."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "approved the terms of the contracts and".

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amend-

ments of the Senate numbered 4, 18, 20, 22, and 24.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona:

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1963

Mr. RUSSELL. Mr. President, I do not desire to discuss the motion of the Senator from Arizona. I wish to speak concerning another subject.

As a general rule, I have never deemed it proper for a member of a conference committee representing either body of Congress to discuss matters which are still in the hands of the conference committee for settlement. However, there has been so much persistent misrepresentation of the issues which are involved in the agricultural appropriation bill that in justice to myself, and also the Senate position, I feel I must make a brief statement to refute a consistently repeated falsehood that I have been holding up action on the agricultural appropriation bill in order to pressure—that is the word that one radio commentator used; I think another one used the word “coerce”—to pressure or coerce the other body into accepting an item which was in the bill as it was presented to Congress by the Bureau of the Budget.

I refer to the item providing for a peanut marketing research laboratory to be located in my State. I do not disavow a consuming interest in that item. I was more interested in it than I was in any other item in the appropriation bill. I regretted very much to see it convicted and hanged on the floor of the House of Representatives on the basis of false testimony that was presented to that body concerning the nature of the proposed laboratory.

Eminent Members of the House held forth at length to the effect that it was a utilization research laboratory. If this had been true it would take work away from existing laboratories in Virginia, Louisiana, and other areas. As a result of that misrepresentation, the House, by a yea-and-nay vote, killed the item.

I wrote to the Secretary of Agriculture, asking him to write me a letter stating whether or not the statement that the project was to be a utilization laboratory was true. He replied, and I had that letter printed in the RECORD. In order to preserve the continuity of my statement, I ask unanimous consent that the correspondence again be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

SEPTEMBER 20, 1962.

HON. ORVILLE FREEMAN,
The Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: I am writing to you in regard to the marketing research facility proposed in the budget estimates for 1963, to be located at Dawson, Ga.

In reviewing the Department's justification for this facility in the House hearings on page 1264, it briefly describes the purpose of research investigations to be conducted at this facility as dealing with the quality

control requirements of peanuts in marketing and storage channels.

When this matter was under consideration in the House on September 18, the statement was made by Members opposed to the construction of the facility that it was being established as a utilization laboratory to develop uses of peanuts rather than for peanut quality research. Heretofore, it has been my understanding that research investigations for new uses on peanuts and peanut products are conducted at the Regional Utilization Laboratory at New Orleans, La.

I will appreciate it if you will clarify this entire matter, together with the extent of present utilization research and where it is done.

Sincerely,

RICHARD B. RUSSELL.

SEPTEMBER 24, 1962.

HON. RICHARD B. RUSSELL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR RUSSELL: Thank you for your letter of September 20, 1962, in which you refer to statements made in the House that the program proposed for the Dawson Laboratory would be utilization research. The Department is pleased to state that you are correct in your understanding that the type of research to be done at the Dawson Laboratory is marketing research and not utilization research.

As you stated, the broad segments of the marketing research program contemplated for the laboratory, which was developed in consultation with a peanut industry working group and presented to your subcommittee by Mr. Pace, is described and justified by the Department in the House hearings on page 1264. Briefly, a major emphasis of the program would be the protection, maintenance, and improvement of quality in peanuts during marketing, including the development of improved and more objective methods for sampling and measuring quality and facilitating inspection and grading procedures. Included would be evaluations to determine the effect on market quality of various practices followed during production, harvesting, storage, handling, and conditioning operations. This would require the use of peanuts of known production, harvesting, and handling history which would be accomplished through cooperation with production research programs of the Department and the State agricultural experiment stations. It is also contemplated that standardized facilities and skilled personnel of the laboratory would be available to the industry and other research programs of the Department and the States in making quality evaluations on small samples of peanuts which represent new varieties or experimental conditions of production, harvesting, or handling.

Also, the program would be concerned with the development of effective methods for preventing, controlling, or eradicating insects in peanuts under various conditions of storage, handling, and treatment. Finally the program would seek to improve the efficiency of peanut marketing by developing improved equipment, work, and handling methods during the drying, shelling, and storage operation. The program would necessarily be concerned with quality evaluations and the effect on quality and end products of different practices being followed in the industry. But the laboratory would not be engaged in the development of new uses for peanuts or peanut products, which is the basic mission of utilization research.

Utilization research is conducted by the Southern Regional Utilization Research and Development Laboratory of ARS at New Orleans. About three-fourths of the resources of that Laboratory are allocated to research

on new uses for cotton and cottonseed. The remaining one-fourth is concerned with rice, naval stores, sugar, and other crops, including peanuts. Of the total of approximately 225 professional man-years engaged in product and process development research in that Laboratory, 3 are assigned to peanuts which represent an annual expenditure of approximately \$69,000.

The Department appreciates the opportunity to help clarify some of the misconceptions which have arisen concerning the proposed laboratory.

Sincerely yours,

ORVILLE L. FREEMAN.

Mr. RUSSELL. Mr. President, no one knows better than do the conferees on the part of the House, as well as my four colleagues who sat with me through long hours representing the Senate on the conference, that there is no truth whatever to the statement that the peanut laboratory is now the issue. The peanut laboratory relates to the marketing service. It has nothing whatever to do with amendment No. 2, on which the Senate voted to insist by a vote of 77 to 0. One appears on page 3 under Agriculture Research and the other on page 15 under Agriculture Marketing Service. They are not even in the same item in the bill. I made it perfectly clear on occasion after occasion during the conference that, much as I regretted to see that budgeted item go down the drain, badly needed as it was to help the farmers of the whole peanut producing area, I would yield on it if the House would accept the one item in the bill, which dealt principally with research for utilization purposes and contained in amendment No. 2.

Mr. MANSFIELD. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from Montana.

Mr. MANSFIELD. I have said nothing about this subject, but to my own personal knowledge the distinguished senior Senator from Georgia has made the statement relative to the laboratory in his State on three different occasions, and on one occasion while we were meeting jointly with the leadership on the other side of the Capital.

Mr. RUSSELL. I thank the Senator from making that statement.

In our efforts to bring this problem to an honorable conclusion, I discussed the issue which places the bill in jeopardy with the Democratic leadership on the other side of the Capitol. I discussed it with the leadership on both sides of the aisle in this Chamber.

Mr. KEATING. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from New York.

Mr. KEATING. I reiterate what the distinguished majority leader has said. I believe the distinguished Senator from Georgia made exactly that statement on at least two occasions. For the life of me, I cannot understand why people continue to talk just about peanuts.

Of course, I am not a member of the conference; but, as I understand, the Senator from Georgia is standing on a matter of principle from which he will not recede. As I recall, the Senate voted not to recede on the principle that the

bill provide facilities for agricultural research. It may well be that within this category there may be some room for negotiation; but, in my judgment, the research items are among the most important in the entire bill.

As I understand the position of the Senator from Georgia, as it has been made perfectly clear to many of us, it is that, much as he regrets to do so—and I admire him for it—he is willing to yield on the so-called peanut laboratory if the principle is established that other research facilities shall be in the bill.

I commend the Senator. His principles and mine are not always in agreement; but I know that he is a man of principle and that when he takes a position, it is very difficult to budge him from it. In my judgment, his position in this instance is absolutely correct.

I have regretted the appearance in some quarters of notices to the effect that the Senator from Georgia is taking an obstructionist point of view. In my judgment, he is not taking such a position.

Mr. RUSSELL. Mr. President, the issue is whether the Senate has a right to amend an appropriation bill in any and every respect. Year after year, the Senate has yielded to the fantasy that the Senate does not have the right to originate appropriation bills. We are in session today—in October—because we have accepted that fallacious construction of the Constitution, when in fact the Constitution does not contain one word which prohibits the Senate from initiating appropriation bills.

If the Senate had initiated four or five appropriation bills and had begun to hold hearings on them in January, Congress could have adjourned sine die by August 15. On the contrary, the Congress has remained in session until late in the fiscal year, waiting for the other body to send appropriation bills to us and give us a short time to consider them.

The agriculture appropriation bill, about which I am now speaking, reached the Senate on July 25, almost one month after the new fiscal year had begun. The independent offices appropriation bill reached the Senate on August 1. The military construction appropriation bill came to us on August 14. The public works appropriation bill for 1963 came to the Senate on August 16, almost two months after the beginning of the new fiscal year. This has been due to the fact that the Senate, in its tolerance and forbearance with the petulance of the other body has not challenged its right to initiate appropriation bills.

But in this case, Mr. President, when we reached the conference and came to these items on research, the House conferees said "We will talk to you about the research items, but we will not discuss any item that has to do with the construction of a facility."

Mr. President, I told the conferees of the other body that I knew of no constitutional limitation on the Senate in that regard, and that I did not believe the Senate would accept one that was presented by five representatives of the other body in a conference. We were told

that because the other body had not added any items for the construction of facilities, they struck out the peanut research item, although it was a budgeted item. I pointed out to them that that was not a correct statement, inasmuch as included in the House version of the bill, in this amendment numbered 2, was an appropriation item by the other body for the construction of a poultry research facility at East Lansing, Mich.

So, Mr. President, the conference went on from there, with the House conferees even refusing to discuss any facility for research, because they said their committee had not included some items for research facilities that some Members of their body desired. That was a very unusual position—to oppose our constitutional right to amend the bill to provide for necessary facilities because the House had failed to do so. Even if one accepts the fallacy that the Senate does not have a right to initiate an appropriation bill, certainly either body has a right to initiate any research facility construction item.

Mr. President, I have endeavored to deal with this situation with as much forbearance as I possibly could summon, and I am perfectly willing to continue to deal with it with forbearance; but I wish to state now that the Senate has receded so much on matters relating to appropriations that the other body has about concluded that it is the only body which has a right to deal in any way whatever with appropriations. If we surrender in this case, certainly we shall not only be surrendering this power under the Constitution, but we shall also be surrendering any contention that we are an equal and coordinate legislative body.

If the Senate has an ounce of self-respect, it will stay in session until Christmas if it takes this to establish our position as a coequal body in every respect.

FOREIGN AID AND RELATED AGENCIES APPROPRIATIONS, 1963— CONFERENCE REPORT

The Senate resumed the consideration of the motion of Mr. HAYDEN to concur in the amendment of the House to the amendments of the Senate numbered 4, 18, 20, 22, and 24.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of the adoption of the amendments of the conference report, a table showing the action taken on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

The PRESIDING OFFICER (Mr. METCALF in the chair). The question is on agreeing to the motion of the Senator from Arizona [Mr. HAYDEN].

UNNECESSARILY LARGE NUMBER OF TROOPS STATIONED IN MISSISSIPPI

Mr. STENNIS. Mr. President—

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I wish to obtain the floor. However, if there is to be no further debate on the question of the motion of the Senator from Arizona, I am perfectly willing to have the vote on it taken.

Mr. PROXMIRE. Mr. President, I object; I wish to comment on this measure.

Mr. STENNIS. Then, Mr. President, I shall detain the Senate only a few minutes—not for as long a time as I would otherwise do.

I wish to give a report, and then comment on it, about the number of troops remaining in and still assembled in or very near the State of Mississippi.

At 10 a.m. today, Washington time, there were 5,450 Regular U.S. Army troops in Oxford, Miss., or in the area of Oxford, and 3,000 National Guard troops in regular service and on active duty.

In addition, at Columbus, Miss., some 150 miles to the east, there were 6,700 Regular U.S. Army troops. I understand that all of them are paratroopers, and that that group includes the four or five special, "crack" units out of both the 82d Paratrooper Division and the 101st Paratrooper Division.

In addition, there were 4,500 National Guardsmen scattered all over the State, some as far as Biloxi and Gulfport, Miss., some 350 miles from Oxford—4,500 National Guardsmen, still under call, and ready to report to their respective armories. There was a relaxation insofar as some of the hardship cases were concerned as to the 4,500 Guardsmen—to permit them to return home, and so forth, although they are required to remain very near the area, or at least subject to call. I know that one of these units includes a medium tank battalion of National Guardsmen, who are still on duty; and I know they are, because I called some of their commanding officers this morning—a medium tank battalion on duty more than 200 miles from Oxford, Miss.

Mr. President, the figures I have given total 19,600 men, as of 10 o'clock this morning. But, in addition, at Memphis, Tenn., just over the line from Mississippi, and about 70 miles from Oxford, there were an additional 6,170 troops—for a grand total of 25,770 military men on duty this morning, with the slight exceptions as to rigid duty which I stated as to some of the 4,500 National Guardsmen for whom there have been some relaxations.

At 10 o'clock this morning there were 6,700 paratroopers at Columbus. On the other hand, Mr. President, our country has only 6,000 troops in Berlin. I venture the estimate that in view of the availability of modern air transportation and all the other means available to them, 2,000 of these paratroopers could be at any point in Mississippi within almost a matter of minutes—either from Columbus or from anywhere else in the vicinity where they are located.

At the Columbia Airbase, one of our major SAC bases, the B-52's, and all the other equipment included in that program are on the alert. I understand that the alert has not been suspended, but

there are 6,700 men on the runways or surrounding them.

This morning, at 10 o'clock, 2,700 men were moved out from the Memphis area and 2,700 men were moved out from the Columbus area. But even at this moment, after subtracting for those recent movements, we find that 20,370 men remain there, on duty.

Mr. President, if this is a military decision, how can the Appropriations Committee and the Armed Services Committee take seriously the representations of the military officers or the civilian officials as to what they need in order to do a certain job? How can we seriously appropriate funds based on estimates no sounder than this.

I do not believe this is a military estimate. I do not believe military men would risk their professional reputation and standing by saying that under these conditions it is necessary to have 25,770 men on active duty there, as late as 10 o'clock this morning, Washington time. Instead, I believe it is a political decision.

Mr. RUSSELL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield to the Senator from Georgia, the chairman of the Armed Services Committee.

Mr. RUSSELL. I should like to ask the distinguished Senator from Mississippi to state the population of Oxford, Miss.

Mr. STENNIS. It is about 7,000 or 8,000 people.

Mr. RUSSELL. Including both the whites and the blacks?

Mr. STENNIS. Yes, including all the civilians there. This is my estimate, and I am sure the population is not over 8,000.

Mr. RUSSELL. And that includes the women and the children also?

Mr. STENNIS. Oh, yes.

Mr. RUSSELL. How many students are there at the university?

Mr. STENNIS. In all, perhaps 4,500.

Mr. RUSSELL. Does that include the coeds?

Mr. STENNIS. Yes, several hundred coeds.

Mr. RUSSELL. Mr. President, I was utterly dumfounded to hear about the extent of the concentration of armed forces in the Oxford area. Practically all of the combat-ready Regulars in this country were either there or all ready to go there. I have heard that 8 out of the 10 battle groups that constitute our 2 airborne divisions were sent to Mississippi. I was even more astonished to read where these troops were digging in and establishing fox-holes and rifle pits. It seems that 25,000 troops in this small community would not have needed fortifications. I told the Secretary of Defense personally that I could see no necessity for such a vast concentration of armed forces. I venture to say that this is a greater number than General Grant had when he passed through Oxford after the capture of Vicksburg in 1863.

Mr. STENNIS. Yes; and I understand that Gen. George Washington never had that many troops under his command during the Revolutionary War.

Mr. RUSSELL. It would be interesting to know whether those who thought it necessary to deploy all of this military might in Oxford—and I believe I read the other day that the population of Oxford is about 6,800—

Mr. STENNIS. That is about right.

Mr. RUSSELL. Of which about 40 percent are colored. That number includes the lame, the halt, the blind, the babes in arms. If the same group of people are making our plans to deal with a new eventuality in Cuba, we have an easy answer as to why there has been such timidity and hesitation about imposing a quarantine on shipment of arms to Cuba. Those who concluded that it was necessary to deploy 25,000 of our firstline troops to Oxford, Miss., would undoubtedly conclude that it would take 17 million Americans to defeat Cuba if this situation became necessary.

Mr. STENNIS. I thank the Senator for his timely remarks.

Mr. President, I raise the question, Is this a military decision? I do not believe it is. I do not believe the Chief of Staff would risk his reputation as a military man and certify here or anywhere else that he has any basis for the decision or that he believes the presence of these men is necessary.

Is it a logical decision? Of course it is not. It is an outrage. It is ridiculous on its face to be keeping these men there at such great cost. I will find out, in some way, how much the cost per day is. Of course, the regular men have to be paid anyway, but I refer to the transportation costs and the cost of the additional men.

I repeat, Can we take seriously estimates that are put before us as to the military need with reference to any given situation?

I believe it is a political decision to keep these troops there, and I believe it is going to backfire. I believe there is an element which seeks to terrorize people, not only there, but elsewhere. It is un-American. It is undemocratic. It is contrary to the living spirit of the Constitution of the United States. I condemn it here on the floor of the Senate.

I stand for no violence. I stand for law and order. Most of the people in Mississippi stand for them.

NECESSITY OF OBEYING COURT DECISIONS

Mr. KUCHEL. Mr. President, the people of the United States and the people of the whole globe are going through as difficult, as great and as ugly a time as the world has ever seen. Like all my colleagues, I believe in law and order. I believe in peace with justice for the people of the United States and for the people of all the world.

The experiment in self-government in this country that has been in progress for the better part of 2 centuries is on trial. The unique and wonderful manner by which, in the 1700's, a group of colonial immigrants determined that self-government would be fashioned in America constitutes perhaps the most noble experiment in society's attempt to govern itself.

Part of the American system, with its theory of checks and balances, provides for an independent judicial branch. The basis upon which this theory of self-government must continue is on the basis of respect for law and order. When the Supreme Court, or the circuit court of appeals, or a Federal district court, or any State or local court makes a decision—object to it if you wish, Mr. President, but respect it. It is the law of the land, and it is so by virtue of the American Constitution. Respect the law of the land, Mr. President. That is the basis upon which people in this country are able to govern themselves.

I am not intimately acquainted with the manner by which the President of the United States discharged his duty in the melancholy misfortune of the State which my friend represents in this Chamber. I respect the Senator from Mississippi as a friend and as a spokesman for his State. With the greatest of respect on my part, I say that, as I see it, the President of the United States had no choice, for if a person who wears temporarily the title of chief executive of a State or of a Commonwealth repudiates a decision of the circuit court, the seeds of destruction are planted in American society. And that must not, nor cannot be.

On that subject I rise to say that in my judgment, the President of the United States had no choice. Terrorism existed in Mississippi, I hope and pray that this ugly chapter in the history of America will prove to be the last, and that we may go forward, no matter what our religion or our racial background may be, and live together, and demonstrate to all the world that we are united in a desire to establish at home a society of peace and justice and equal treatment under law, and that we continue to accept the responsibility of leadership in the cause of peace and justice for all people.

FOREIGN AID AND RELATED AGENCIES APPROPRIATIONS, 1963—CONFERENCE REPORT

The Senate resumed the consideration of the motion of Mr. HAYDEN to concur in the amendments of the House to the amendments of the Senate numbered 4, 18, 20, 22, and 24.

Mr. KUCHEL. Mr. President, I wish to speak for a moment on the conference report. Final action in connection with the conference report on mutual security is about to be taken, and the mutual security bill is nearing enactment. No great number of words will be uttered for the RECORD on this occasion, but I thought Senators might pardon me for speaking for a moment on mutual security. I have the honor to be a member of the Appropriations Committee.

I remember the leadership of Dwight Eisenhower, one of the greatest American military geniuses of all time, given to mutual security before he was President, while he was President, and after he ceased to be President.

I remember when General Lemnitzer, then Chairman of the Joint Chiefs of

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Oct. 11, 1962
For actions of Oct. 10, 1962
87th-2d, No. 185

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HIGHLIGHTS: House rejected Senate USDA appropriation continuation measure. Sens. Russell and Morse criticized House action on USDA appropriation continuation measure. Sen. Proxmire opposed mandatory controls on feed grains. Sen. Humphrey commended administration farm program. Both Houses agreed to conference report on State-Justice-Commerce appropriation bill. House received conference report on roads bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1963. By a vote of 245 to 1, agreed to H. Res. 831, "That Senate Joint Resolution 234, making appropriations for the Department of Agriculture and the Farm Credit Administration for the fiscal year 1963, in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution and is an infringement of the privileges of this House, and that the said joint resolution be taken from the Speaker's table and be respectfully returned to the Senate with a message communicating this resolution." pp. 21785-7
2. ROADS. Received the conference report on H. R. 12135, the proposed Federal-Aid Highway Act of 1962 (H. Rept. 2549). This bill includes authorizations of \$33,000,000 for the fiscal year 1964 and \$33,000,000 for the fiscal year 1965 for forest highways, and for forest development roads and trails \$10,000,000 additional for 1963, \$70,000,000 for 1964, and \$85,000,000 for 1965.

pp. 21852-3, 21888

3. PUBLIC WORKS. Conferees were appointed on H. R. 13273, the omnibus rivers, harbors, and flood control bill. Senate conferees have not yet been appointed. Earlier agreed to a resolution to send this bill to conference. pp. 21787-802, 21803, 21888
Rep. Saylor criticized certain provisions of this bill as it passed the Senate. pp. 21824-5
4. STATE-JUSTICE-COMMERCE APPROPRIATION BILL, 1963. Both Houses agreed to the conference report on this bill, H. R. 12580, and acted on amendments in disagreement. This bill will now be sent to the President. This bill includes \$115,050,000 for the Area Redevelopment Administration, \$3,695,000 for export control, and \$32,000,000 for forest highways. pp. 21757-63, 21803-8
5. LANDS; EASEMENTS. Concurred in the Senate amendment to H. R. 8355, to authorize executive agencies to grant easements in, over, or upon real property of the U. S. under the control of such agencies. This bill will now be sent to the President. p. 21784
6. BUILDINGS; CONTRACTS. Rep. Bow objected to a unanimous consent request to send to conference H. R. 11880, to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, including agricultural attache housing. p. 21784
7. PAY BILL. Rep. Johansen criticized the passage of the pay bill. pp. 21802-3
8. TRANSPORTATION. Agreed to the conference report on H. R. 5700, to amend the Tariff Act of 1930 to permit contract carriers by motor vehicle to transport bonded merchandise. This bill will now be sent to the President. p. 21809
9. MINING. Began consideration of the conference report on S. 3451, to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed. pp. 21817-20
10. D. C. APPROPRIATION BILL, 1963. Received the conference report on this bill, H. R. 12276 (H. Rept. 2548). pp. 21851-2, 21888
11. ELECTRIFICATION. Rep. Pfoest urged enactment of legislation to retain for the Northwest first call on Northwest power. pp. 21869-70
12. CRANBERRIES. Received from GAO a report on the review of the cranberry indemnity payment program administered by AMS. p. 21888
13. LEGISLATIVE ACCOMPLISHMENTS. Several Representatives inserted statements on the legislative record of the 87th Congress. pp. 21821-4, 21857-8, 21870-1, 21883-6
14. LEGISLATIVE PROGRAM. Rep. Albert announced that the conference reports on S. 3451, unpatented mining claims, H. R. 12276, the D.C. appropriation bill, and H. R. 12135, the highway bill, will be considered on Thurs. p. 21820

SENATE

15. FARM PROGRAM. Sen. Humphrey commended the administration's farm program, reviewed recent improvements in the farm economy, stated that "the agricultural economy of this Nation is in a decided upswing," and inserted a news release of this Department containing a statement of the National Agricultural Advisory

Commission commending Secretary Freeman on the new farm program. pp. 21776-8
Sen. Proxmire stated that "it is a great mistake for Congress to force mandatory control on the feed grain farmers, particularly the dairy farmers, who feed all the feed grain they grow to their cows," contended that dairy farmers would vote to reject such controls, and inserted an article to support his position. pp. 21748-9

16. AGRICULTURAL APPROPRIATIONS. Sens. Russell and Morse criticized the action of the House in returning to the Senate without action S. J. Res. 234, the appropriation continuation measure for this Department for fiscal year 1963, and Sen. Russell expressed his intention to begin a debate early next week on the constitutional issues involved in the appropriations procedure. p. 21751
17. FORESTRY. Sen. Morse inserted resolutions adopted by the Oregon Wildlife Federation supporting policies relating to the national forests, including multiple-use management, sustained yield management, the present system of competitive bidding for national forest timber, and high standard road construction in logging operations. p. 21735
Sen. Morse inserted the speech of ex-Governor Sprague (Ore.) at a meeting commemorating the 25th anniversary of passage of legislation proclaiming a policy of sustained yield management for the national forests in which he reviews the history of O. and C. lands and discusses the framework within which conservation policy is made. pp. 21751-4
18. INFORMATION. Sen. Morse commended a recent book, "Washington Coverup," contending that executive privilege in withholding information from Congress and the public has sometimes been abused, and inserted several items on the subject. pp. 21767-76
19. LOBBYING. Sen. Proxmire contended that efforts to regulate the activities of lobbyists "are so ineffectual that they have become a farce," and inserted several items on lobbying activities. pp. 21740-3
20. PERSONNEL. Sen. Humphrey commended the President for approving the Work Hours Standards Act of 1962 to consolidate and amend various laws providing for the employment of laborers and mechanics on Federal projects or on federally assisted construction projects. pp. 21747-8
21. LEGISLATIVE PROGRAM. Sen. Humphrey stated that the conference report on the road authorization bill will be considered Thurs., Oct. 11, p. 21765

ITEMS IN APPENDIX

22. LEGISLATIVE RECORD. Extension of remarks of Rep. Kelly inserting her report praising the accomplishments of the second session of the 87th Congress. pp. A7506-9
Extension of remarks of Rep. Derounian inserting a review of his voting record in the 87th Congress. pp. A7525-30.
Extension of remarks of Rep. Karth praising the record of joint achievement by the Congress and the Kennedy administration. pp. A7554-5
23. WILDERNESS. Extension of remarks of Rep. Boland inserting two articles criticizing the House Committee on Interior and Insular Affairs version of the Wilderness Bill. p. A7530
24. WATERSHEDS. Extension of remarks of Rep. Philbin expressing gratitude and praise for the Congressional approval of flood control projects in central Massachusetts. p. A7531.

25. ACS COMMITTEES. Extension of remarks of Rep. Evins praising the ASC farmer committee system as "one of our greatest democratic organizations". p. A7544.
26. WHEAT. Extension of remarks of Rep. Dwyer inserting an address by Carl Farrington condemning the administration's wheat program. pp. A7544-45

BILLS INTRODUCED

27. ADJOURNMENT. H. R. 13384, by Rep. Curtis, Mo., to amend section 132 of the Legislative Reorganization Act of 1946 to provide for the adjournment of the Congress not later than the last day in the month of July except in time of war or national emergency hereafter proclaimed by the President; to Rules Committee.
28. LANDS. S. 3802, by Sen. Long, La., H. R. 13383, by Rep. Boggs, H. R. 13386 by Rep. Hebert, to authorize the Secretary of Agriculture to exchange certain lands at the Southern Regional Research Laboratory with the city of New Orleans La., for certain other lands adjacent to such laboratory; to Agriculture Committee.

BILLS APPROVED BY THE PRESIDENT

29. AIR POLLUTION. S. 455, to provide for public hearings on air pollution problems of more than local significance, and extend the duration of the Federal air pollution control law. Approved October 9, 1962 (Public Law 87-761).
30. RECLAMATION. S. 1060, to authorize the Secretary of Interior to construct, operate, and maintain the Oroville-Tonasket unit of the Okanogan-Similkameen division, Chief Joseph Dam project, Washington. Approved October 9, 1962 (public Law 87-762).
31. DRUGS. S. 1552, the Drug Industry Act of 1962. Approved October 10, 1962 (Public Law 87-781).
32. LIVESTOCK DISEASE. S. 3120, to grant the Secretary of Agriculture additional authority to permit the interstate movement of certain diseased livestock and poultry. Approved October 9, 1962 (Public Law 87-763).
33. FISHERIES. S. 3431, to consent to the amendment of the Pacific Marine Fisheries Compact and to participation of certain additional States in such compact. Approved October 9, 1962 (Public Law 87-766).
34. TRADEMARKS. H. R. 4333, to amend the Trademark Act so as to clarify certain ambiguities relating to the registration and protection of trademarks. Approved October 9, 1962 (Public Law 87-772).
35. BUDGETING. H. R. 10613, to repeal subsection (d) of Sec. 16 of the Administrative Expenses Act of 1946 which requires detailed budget estimates for appropriations to be used for purchase or hire of passenger motor vehicles or for purchase, maintenance, or operation of aircraft. Approved October 9, 1962 (Public Law 87-774).
36. TRAILERS. H. R. 10652, to amend the Administrative Expenses Act of 1946, to provide a more reasonable allowance for transportation of house trailers or mobile dwellings by certain governmental officers and employees upon their transfer from one official station to another. Approved October 9, 1962 (Public Law 87-776).

H. RES. 831

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 10, 1962

Mr. CANNON submitted the following resolution; which was considered and agreed to

RESOLUTION

1 *Resolved*, That Senate Joint Resolution 234, making
2 appropriations for the Department of Agriculture and the
3 Farm Credit Administration for the fiscal year 1963, in the
4 opinion of the House, contravenes the first clause of the
5 seventh section of the first article of the Constitution and is
6 an infringement of the privileges of this House, and that the
7 said joint resolution be taken from the Speaker's table and
8 be respectfully returned to the Senate with a message com-
9 municating this resolution.

RESOLUTION

Relating to S.J. Res. 234.

By Mr. CANNON

OCTOBER 10, 1962

Considered and agreed to

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 286]

Adair	Gavin	Nelsen
Alexander	Glenn	Norblad
Andersen,	Gray	O'Brien, Ill.
Minn.	Green, Oreg.	O'Hara, Mich.
Anderson, Ill.	Griffin	O'Konski
Andrews	Griffiths	Osmer
Anfuso	Haley	Passman
Arends	Hall	Peterson
Aspinall	Harding	Philbin
Auchincloss	Harris	Poage
Bailey	Harrison, Va.	Powell
Baring	Harvey, Ind.	Rains
Barry, N.Y.	Harvey, Mich.	Rcifel
Bass, N.H.	Hays	Reuss
Belcher	Hebert	Riley
Bell	Henderson	Rivers, Alaska
Bennett, Mich.	Hiestand	Roberts, Ala.
Berry	Hoeben	Robison
Blatnik	Hoffman, Ill.	Rogers, Tex.
Blich	Hoffman, Mich.	Roosevelt
Boykin	Holifield	Roudebush
Brademas	Hull	Roussell
Breeding	Inouye	Santangelo
Brewster	Johnson, Md.	Saund
Bromwell	Johnson, Wis.	Schadeberg
Brown	Jones, Ala.	Scherer
Buckley	Judd	Schwengel
Burke, Ky.	Karth, Minn.	Scott
Carey	Kastenmeyer	Scranton
Cederberg	Kearns	Seely-Brown
Celler	Kee	Shelley
Charberlain	Kilburn	Sheppard
Chiperfield	King, Utah	Shipley
Coad	Kyl	Short
Conte	Laird	Shriver
Corman	Lipscomb	Sibal
Curtin	Loser	Siler
Curtis, Mass.	McCulloch	Smith, Calif.
Davis,	McDonough	Smith, Miss.
James C.	McDowell	Spence
Davis,	McIntire	Springer
John W.	McSween	Stratton
Denton, Ind.	McVey	Sullivan
Derwinski	Macdonald	Teague, Calif.
Diggs	MacGregor	Thomas
Dingell	Mack	Thompson, La.
Dominick	Magnuson	Thompson, N.J.
Donohue	Mailliard	Thompson, Tex.
Dooley	Marshall	Ullman
Doyle	Martin, Mass.	Van Relt
Durno	Martin, Nebr.	Van Zandt
Edmondson	Mason	Vinson
Elliott	Michel	Wallhauser
Evins	Miller	Watts
Fenton	George P.	Wcis
Findley	Moorehead,	Whalley
Finnegan	Ohio	Williams
Fino	Moorehead, Pa.	Wilson, Calif.
Fogarty	Morgan	Wilson, Ind.
Frazier	Morrison	Wright
Friedel	Moss	Yates
Gallagher	Moulder, Mo.	Younger
Garland	Nedzi	Zelenko

the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution and is an infringement of the privileges of this House, and that the said joint resolution be taken from the Speaker's table and be respectfully returned to the Senate with a message communicating this resolution.

Mr. CANNON. Mr. Speaker, on October 4, 1962, the other body messaged to the House Senate Joint Resolution 234, now on the Speaker's table. This joint resolution is an infringement on the privileges of the House, as stated in section 7 of article I of the Constitution, under which the House of Representatives has always maintained the right to originate the appropriation bills.

The priority of the House in the initiation of appropriation bills is buttressed by the strongest and most compelling of all rules, the rule of immemorial usage. As Mr. Asher Hinds relates in section 1500 of volume II of "Hinds' Precedents" at page 973—while the issue has been raised a number of times—"there has been no deviation from the practice."

Many precedents could be cited, but the most recent instance, as many of those present will recall, is reported in the permanent CONGRESSIONAL RECORD of March 12, 1953, on page 1897, where the gentleman from New York [Mr. TABER], at that time chairman of the House Committee on Appropriations, offered a resolution identical with the pending resolution—and under circumstances corresponding to the situation with which we are confronted today—respectfully returning an appropriation bill originated by the other body.

Mr. TABER's resolution was unanimously agreed to, and there have been no further proceedings on the subject from that time to this.

Mr. Speaker, I yield to the gentleman from New York [Mr. TABER].

(Mr. TABER asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Speaker, the precedent of March 12, 1953, to which the gentleman from Missouri, the chairman of the House Committee on Appropriations, has just referred, was, like the one which we have under consideration at this time, a clear attempt to violate that provision of the Constitution which, by uniform construction and practice, has been maintained as an exclusive privilege of the House throughout all the years since the Constitution was adopted.

In "The Federalist," the collection of papers explaining the new Constitution in 1787 and 1788, there are some significant and I believe wholly conclusive words by Madison and Hamilton on this question. They were members of the Constitutional Convention and had a big hand in drawing it up.

I am going to read one passage because I believe it ought to be in the RECORD. This is found in volume 57, at page 405:

Notwithstanding the equal authority which will subsist between the two Houses on all legislative subjects, except the originating of money bills, it cannot be doubted, that the House, composed of the

greater number of Members, when supported by the more powerful States, and speaking the known and determined sense of a majority of the people, will have no small advantage in a question depending on the comparative firmness of the two Houses.

This advantage must be increased by the consciousness, felt by the same side, of being supported in its demands by right, by reason, and by the Constitution; and the consciousness, on the opposite side, of contending against the force of all these solemn considerations.

Note the use of the words "except the originating of money bills." Those are the words I want to stress.

I will also insert in the RECORD two more quotations from "The Federalist," because they are significant, considering again that Hamilton and Madison are credited with their authorship:

From pages 406 to 407:

The House of Representatives cannot only refuse, but they alone can propose the supplies requisite for the support of Government. They, in a word, hold the purse; that powerful instrument by which we behold, in the history of the British Constitution, an infant and humble representation of the people gradually enlarging the sphere of its activity and importance, and finally reducing, as far as it seems to have wished, all the overgrown prerogatives of the other branches of the Government. This power over the purse may, in fact, be regarded as the most complete and effectual weapon, with which any constitution can arm the immediate representatives of the people, for obtaining a redress of every grievance, and for carrying into effect every just and salutary measure.

From page 463:

But independent of this most active and operative principle, to secure the equilibrium of the National House of Representatives, the plan of the Convention has provided in its favor several important counterpoises to the additional authorities to be conferred upon the Senate. The exclusive privilege of originating money bills will belong to the House of Representatives. The same House will possess the sole right of instituting impeachments: is not this a complete counterbalance to that of determining them? The same House will be the umpire in all elections of the President, which do not unite the suffrages of a majority of the whole number of electors; a case which it cannot be doubted will sometimes, if not frequently, happen. The constant possibility of the thing must be a fruitful source of influence to that body. The more it is contemplated, the more important will appear this ultimate, though contingent power, of deciding the competitions of the most illustrious citizens of the Union, for the first office in it. It would not perhaps be rash to predict, that as a mean of influence it will be found to outweigh all the peculiar attributes of the Senate.

Mr. Speaker, each of these quotes contains language unmistakably and conclusively showing that the House, under the Constitution, was given the sole right to initiate the appropriation of money bills.

I also call attention to a statement I made in the House on March 12, 1953, which is to be found on page 1897 in the CONGRESSIONAL RECORD for that date.

In that statement I went into a complete review of the matter then pending before the House of Representatives and called attention to an article by John Sharp Williams, a Senator from the

DEPARTMENT OF AGRICULTURE
APPROPRIATIONS, 1963

Mr. CANNON. Mr. Speaker, I offer a privileged resolution (H. Res. 831) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That Senate Joint Resolution 234, making appropriations for the Department of Agriculture and the Farm Credit Administration for the fiscal year 1963, in

State of Mississippi. He had made a very strong and thorough study of the rights of the two Houses and supported the position of the House completely. I have always understood that exhaustive study to be regarded as a classic on the question and a frequent reference source.

At this point, Mr. Speaker, so that the RECORD will be more complete, I will insert some of the key passages from the study of the then Senator Williams. The complete document is identified as Senate Document No. 872, 62d Congress, 2d session, July 15, 1912. It traces the particulars of the point from the beginning to the end:

Mr. President, if the Senate can constitutionally originate general appropriation bills when money is in the Treasury, then it can do the same thing when there is no money in the Treasury; and thus this body, representing the States and not the people—representing chiefly the smaller States—could force either Federal insolvency—not to be thought of—or else could force the House to levy new or additional taxes; thus force the House to originate tax bills. The two things hang together. If this Senate could originate general supply bills, then it could commit the Government to a course of expenditure that would coerce the House not only into originating but into passing tax bills.

As Seward well says, speaking of the long practice under which the House always insisted upon and the Senate always conceded—the right of the House to originate general appropriation bills:

"This [practice] could not have been accidental; it was therefore designed. The design and purpose were those of the contemporaries of the Constitution itself. It evinces their understanding of the subject, which was that bills of a general nature for appropriating the public money or for laying of taxes or burdens on the people, direct or indirect in their operation, belonged to the province of the House of Representatives." (See CONGRESSIONAL RECORD, vol. 16, pt. 2, p. 959.)

He added:

"If this power be confined to the one and not to the other—that is, to the levying of taxes to get money, but not to its expenditure—then the right is useless, because we change revenue laws so seldom."

This criticism of Seward's is correct, although it was made in view of what occurred later and not of what was in the minds of the framers of the Constitution. I believe it is not too much to say that, in the minds of the framers of the Constitution, a bill to raise revenue was a budget; that is, a bill levying taxes and at the same time appropriating the proceeds of the levy, because such was the contemporaneous practice.

Mr. Sumner, of Massachusetts, said that he regarded the Senate origination of general appropriation bills as "a departure from the spirit of the Constitution." (Ibid.)

Mr. Hinds, in his incomparable work, in a note at the bottom of page 973, volume 2, concerning the question of the right of the House to originate general appropriation or supply bills, says: "But while there has been a dispute as to the theory, there has been no deviation from the practice that the general appropriation bills originate in the House of Representatives." He expressly uses this phrase as contradistinguished from special bills appropriating for single, specific purposes.

It is well to remember in this connection the Hurd resolution of January 13, 1885, which was laid on the table in the House. The fact that it was laid upon the table has been quoted very frequently, but the resolution was directed at Senate bill 398 (the

Blair educational bill). It was not a supply bill, but a bill of specific appropriation; not a bill for carrying on the Government any more than a bill making appropriation for a public building would be a bill for carrying on the Government.

Our present Speaker, the gentleman from Massachusetts [Mr. McCORMACK], made a statement at that time on page 1898 of the RECORD of March 12, 1953, when the matter was under consideration. I quote what he said:

Mr. Speaker, I am sure when my friend, the gentleman from New York [Mr. TABER], and my friend, the gentleman from Missouri [Mr. CANNON], agree, that the House of Representatives must indeed have a sound case; but will the gentleman for the record state what part of the resolution which has come from the other body violates the longstanding custom, and usage, and practice of the Congress?

Mr. TABER. This resolution, Mr. Speaker, in its entirety violates the practice. There is no part of it which could be considered as covering anything else or any other part of the subject matter.

Mr. McCORMACK. Mr. Speaker, the gentleman's statement satisfies me.

Today, in Senate Joint Resolution 234, we have a complete appropriation bill covering the whole Department of Agriculture. The gentleman from Missouri [Mr. CANNON] has indicated that he will move the adoption of his resolution which is offered to protect the privileges of the House. I hope it will be adopted unanimously.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the resolution.

Mr. CANNON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROONEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ROONEY. Would a yea vote be a vote to send Senate Joint Resolution 234 back to the Senate?

The SPEAKER pro tempore. The gentleman has correctly stated the situation.

The question was taken; and there were—yeas 245, nays 1, not voting 188, as follows:

[Roll No. 287]

YEAS—245

Abbott	Burke, Mass.	Dorn
Abcnethy	Burleson	Dowdy
Addabbo	Byrne, Pa.	Downing
Albert	Byrnes, Wis.	Dulski
Alford	Cahill	Dwyer
Alger	Cannon	Ellsworth
Ashbrook	Casey	Everett
Ashley	Chelf	Fallon
Ashmore	Chenoweth	Farbstein
Avery	Church	Feighan
Ayres	Clancy	Finnegan
Baker	Clark	Fisher
Baldwin	Coad	Flood
Barrett	Cohelan	Ford
Barry	Collier	Forrester
Bates	Cook	Fountain
Battin	Cooley	Frelinghuysen
Becker	Corbett	Fulton
Beckworth	Cramer	Garmatz
Beermann	Cunningham	Gary
Bennett, Fla.	Curtis, Mo.	Gialmo
Betts	Daddario	Gilbert
Boggs	Dague	Gonzalez
Boland	Daniels	Goodell
Bolton	Davis, Tenn.	Goodling
Bow	Dawson	Granahan
Bray	Delaney	Grant
Brooks, Tex.	Dent	Green, Pa.
Broomefield	Derounian	Gross
Broyhill	Devine	Gubser
Bruce	Dole	Hagan, Ga.

Hagen, Calif.	Mahon	Rodino
Halpern	Mathias	Rooney
Hansen	Matthews	Rosenthal
Hardy	May	Rostenkowski
Harrison, Wyo.	Meader	Roush
Harsha	Morrow	Rutherford
Healey	Miller, N.Y.	Ryan, Mich.
Hechler	Milliken	Ryan, N.Y.
Hemphill	Mills	St. George
Herlong	Minshall	St. Germain
Holland	Moeller	Saylor
Horan	Monagan	Schenck
Hosmer	Montoya	Schneebell
Huddleston	Moore	Schweiker
Ichord, Mo.	Morris	Selden
Jarman	Morse	Sikes
Jennings	Mosher	Sisk
Jensen	Multer	Slack
Joelson	Murphy	Smith, Iowa
Johansen	Murray	Smith, Va.
Johnson, Calif.	Natcher	Stafford
Johnson, Md.	Nix	Staggers
Jonas	Norblad	Steed
Jones, Mo.	Norrell	Stephens
Karsten	Nygaard	Stubblefield
Keith	O'Brien, N.Y.	Taber
Kelly	O'Hara, Ill.	Taylor
Keogh	Olsen	Teague, Tex.
Kilgore	O'Neill	Thomson, Wis.
King, Calif.	Ostertag	Thornberry
King, N.Y.	Patman	Toll
Kirwan	Pelly	Tollefson
Kitchin	Perkins	Trimble
Kluczynski	Pfost	Tuck
Knox	Pike	Tupper
Kornegay	Pilcher	Udall, Morris K.
Kowalski	Pillion	Vanik
Kunkel	Pirnie	Waggonner
Landrum	Poff	Walter
Lane	Price	Weaver
Langen	Pucinski	Westland
Lankford	Purcell	Wharton
Latta	Quile	Whitener
Lennon	Randall	Whitten
Lesinski	Ray	Wickersham
Libonati	Reece	Widnall
Lindsay	Rhodes, Ariz.	Willis
McFall	Rhodes, Pa.	Winstead
McMillan	Riehlman	Young
Macdonald	Rivers, S.C.	Zablocki
Madden	Roberts, Tex.	

NAYS—1

Rogers, Fla.

NOT VOTING—188

Adair	Dooley	King, Utah
Alexander	Doyle	Kyl
Andersen	Durno	Laird
Minn.	Edmondson	Lipscomb
Anderson, Ill.	Elliott	Loser
Andrews	Evins	McCulloch
Anfuso	Fascell	McDonough
Arends	Fenton	McDowell
Aspinall	Findley	McIntire
Auchincloss	Fino	McSweeney
Bailey	Flynt	McVey
Baring	Fogarty	MacGregor
Bass, N.H.	Frazier	Mack
Bass, Tenn.	Friedel	Magnuson
Belcher	Gallagher	Mailliard
Bell	Garland	Marshall
Bennett, Mich.	Gathings	Martin, Mass.
Berry	Gavin	Martin, Nebr.
Blatnik	Glenn	Mason
Blitch	Gray	Michel
Bolling	Green, Oreg.	Miller,
Bonner	Griffin	George P.
Boykin	Griffiths	Moorehead,
Brademas	Haley	Ohio
Breeding	Hall	Moorhead, Pa.
Brewster	Halleck	Morgan
Bromwell	Harding	Morrison
Brown	Harris	Moss
Buckley	Harrison, Va.	Moulder
Burke, Ky.	Harvey, Ind.	Nedzi
Carey	Harvey, Mich.	Nelsen
Cederberg	Hays	O'Brien, Ill.
Celler	Hébert	O'Hara, Mich.
Chamberlain	Henderson	O'Konski
Chipherfield	Hiestand	Osmer
Colmer	Hoeven	Passman
Conte	Hoffman, Ill.	Peterson
Corman	Hoffman, Mich.	Philbin
Curtin	Hollfield	Poage
Curtis, Mass.	Hull	Powell
Davis,	Inouye	Rains
James C.	Johnson, Wis.	Reifel
Davis, John W.	Jones, Ala.	Reuss
Denton	Judd	Riley
Derwinski	Karth	Rivers, Alaska
Diggs	Kastenmeier	Roberts, Ala.
Dingell	Kearns	Robison
Dominick	Kee	Rogers, Colo.
Donohue	Kilburn	Rogers, Tex.

Roosevelt Shriver Utt
 Roubenush Sibal Van Pelt
 Rousselot Siler Van Zandt
 Santangelo Smith, Calif. Vinson
 Saund Smith, Miss. Wallhauser
 Schadeberg Spence Watts
 Scherer Springer Weis
 Schwengel Stratton Whalley
 Scott Sullivan Williams
 Scranton Teague, Calif. Wilson, Calif.
 Seely-Brown Thomas Wilson, Ind.
 Shelley Thompson, La. Wright
 Sheppard Thompson, N.J. Yates
 Shipley Thompson, Tex. Younger
 Short Ullman Zelenko

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Adair.
 Mr. Wright with Mr. Belcher.
 Mr. Rivers of Alaska with Mr. Younger.
 Mr. Gray with Mr. Siler.
 Mr. Hays with Mr. O'Konski.
 Mr. Roberts of Alabama with Mr. Martin of Massachusetts.
 Mr. Anfuso with Mr. Cederberg.
 Mr. Celler with Mr. Auchincloss.
 Mr. Carey with Mr. Halleck.
 Mr. Powell with Mr. Shriver.
 Mr. Zelenko with Mr. Conte.
 Mr. Santangelo with Mr. Berry.
 Mr. Stratton with Mr. Arends.
 Mr. O'Brien of Illinois with Mr. Malliard.
 Mr. Mack with Mr. Kyl.
 Mr. Hull with Mr. Chamberlain.
 Mr. Morrison with Mr. Durno.
 Mr. Thompson of Louisiana with Mr. Wallhauser.
 Mr. Friedel with Mr. Sibal.
 Mr. Buckley with Mr. Anderson of Illinois.
 Mr. Doyle with Mr. Derwinski.
 Mr. Haley with Mr. Fino.
 Mrs. Sullivan with Mr. Judd.
 Mr. Roosevelt with Mr. Hoeven.
 Mr. Rogers of Texas with Mr. Glenn.
 Mr. Peterson with Mr. Kilburn.
 Mr. Thompson of New Jersey with Mr. Hoffman of Illinois.
 Mr. Inouye with Mr. Griffin.
 Mr. Alexander with Mr. Brown.
 Mr. Scott with Mr. Schwengel.
 Mr. Aspinall with Mr. Van Pelt.
 Mr. Rogers of Colorado with Mr. Fenton.
 Mr. Evins with Mr. Gavin.
 Mr. Edmondson with Mr. McIntire.
 Mr. Donohue with Mr. Harvey of Michigan.
 Mr. Ullman with Mr. Michel.
 Mr. George P. Miller with Mr. Laird.
 Mr. Loser with Mr. Bennett of Michigan.
 Mr. McDowell with Mr. Schadeberg.
 Mr. Corman with Mr. Roubenush.
 Mr. James C. Davis with Mr. Springer.
 Mr. Philbin with Mr. Curtin.
 Mr. Johnson of Wisconsin with Mr. Bromwell.
 Mr. Breeding with Mr. Osmer.
 Mr. Brewster with Mr. Van Zandt.
 Mr. Denton with Mr. Short.
 Mr. Brademas with Mr. Martin of Nebraska.
 Mr. Dingell with Mr. Hiestand.
 Mr. Nedzi with Mr. Bell.
 Mr. Fogarty with Mr. Rousselot.
 Mr. Gallagher with Mr. Dominick.
 Mrs. Griffiths with Mr. MacGregor.
 Mr. Holifield with Mr. Kearns.
 Mr. Shelley with Mr. Hall.
 Mr. Sheppard with Mr. Moorehead of Ohio.
 Mr. Watts with Mr. Reifel.
 Mr. Shipley with Mr. Wilson of California.
 Mr. Magnuson with Mr. Findley.
 Mr. Baring with Mr. McDonough.
 Mr. Bailey with Mr. Harvey of Indiana.
 Mr. Diggs with Mr. Nelsen.
 Mr. Elliott with Mr. Wilson of Indiana.
 Mr. Flynt with Mr. Teague of California.
 Mrs. Green of Oregon with Mr. Robison.
 Mr. Rains with Mr. Lipscomb.
 Mr. Reuss with Mr. Utt.
 Mr. Moss with Mr. Andersen of Minnesota.
 Mr. Moorhead of Pennsylvania with Mr. McCulloch.

Mr. Morgan with Mr. Smith of California.
 Mr. Thompson of Texas with Mr. Chipfield.

Mr. Williams with Mrs. Weis.
 Mr. Karth with Mr. Dooley.
 Mr. Andrews with Mr. Seely-Brown.
 Mr. Blatnik with Mr. Scranton.
 Mr. Burke of Kentucky with Mr. Garland.
 Mr. Bass of Tennessee with Mr. Curtis of Massachusetts.
 Mr. John W. Davis with Mr. Scherer.
 Mr. O'Hara of Michigan with Mr. Mason.
 Mrs. Riley with Mr. Hoffman of Michigan.
 Mr. Henderson with Mr. McVey.
 Mr. Kastenmeier with Mr. Bass of New Hampshire.

Mr. HALLECK. Mr. Speaker, is this an automatic rollcall or is the vote being taken by the yeas and nays?

The SPEAKER pro tempore (Mr. ALBERT). The yeas and nays.

Mr. HALLECK. I cannot qualify, Mr. Speaker. If I had been present I would have voted "aye."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PUBLIC WORKS APPROPRIATIONS, 1963

Mr. SMITH of Virginia, from the Committee on Rules, reported the privileged resolution (H. Res. 832, Rept. No. 2547) which was referred to the House Calendar and ordered to be printed.

Mr. SMITH of Virginia. Mr. Speaker, I call up the resolution just reported (H. Res. 832) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 13273) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, with the Senate amendment thereto, be, and the same hereby is, taken from the Speaker's table, to the end that the Senate amendment be, and the same is hereby, disagreed to and that the conference requested by the Senate on the disagreeing votes to the two Houses be, and the same is hereby, agreed to.

The SPEAKER pro tempore (Mr. ALBERT). The question is, Will the House consider the resolution (H. Res. 832)?

The question was taken; and two-thirds having voted in the affirmative, the House agreed to consider the resolution.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Kansas [Mr. AVERY] and now yield myself such time as I may consume.

Mr. Speaker, this resolution which we are about to consider is to send to conference between the House and Senate the public works omnibus bill. There has been, and perhaps will continue to be considerable controversy about the measure, and I think it is necessary to make a brief statement about it.

You will recall that when the House had before it the so-called \$900 million public works acceleration authorization bill, it was pretty generally understood

that if that bill was passed, there would be no general omnibus bill this year. After that bill was passed, something happened—I do not know what—but the Committee on Public Works began consideration of an omnibus bill. They held hearings. They went through the usual course and performed their function, which was entirely legitimate and proper that they should do. The bill was presented to the House, and after thorough consideration, it was adopted by the House and sent to the other body for concurrence by that body. It remained there for a short time and was then passed with amendments.

The bill, as it left the House, carried something like \$2¼ billion of authorizations. The other body adopted some 50 additional projects that had not been considered by the House and were not in the House bill. When I say that the additional projects were not considered by the House, there is one exception to that because in the House bill was what is known as the very controversial Burns Creek item. The House by a rollcall vote and a substantial majority rejected that item and struck it from the bill. The other body reinserted it in the bill by amendment. As I said, there were something like 50 new projects adopted in the other body. The bill came back here and there was an objection raised to sending the bill to conference.

There were something like 50 additional projects inserted in the bill without any consideration on the part of the House involving authorizations of something like—there is a difference in the figures, because I took them all and added them up on an adding machine in my office, and my adding machine was not big enough to carry these figures, so I had to send out and have it done elsewhere—my estimate came to \$1,700 million of authorized expenditures that the House had not considered, many of them the Budget had not even considered, many of them had not been approved by the Corps of Engineers. Over that arose this controversy, which has been pretty hot.

I would like to digress for a moment on a parliamentary question of the rules of the House. We have some rules in the House, and some of them are pretty specific and they are written in pretty plain, clear English that he who runs may read. We have a rule known as rule XX which provides that any amendment of the Senate placed on a House bill, if it should have been considered under the rules of the House in the Committee of the Whole, that involve appropriations or tax, if it had not arisen in the House and was required under the rules of the House to be considered in the Committee of the Whole House, that it shall be subject to a point of order when it comes back to the House.

This is a perfect illustration of that rule. There were some differences over it. Anyway when they asked for this conference there was objection, and it went to the Rules Committee, and many Members of the House appeared before the Rules Committee pro and con on the bill.

While it may not be considered by some as the function of the Rules Committee to consider the merits of legislation, that is a matter, of course, of great controversy and difference of opinion around here. It has been said that the Rules Committee is merely a traffic cop, and I was criticized for considering it as something else. My reply was that I was not elected to Congress by my people to be a traffic cop; and as long as I have anything to do with it I expect to exercise my functions as a Member of this Congress. But under the peculiar circumstances the committee did hold extended hearings. They lasted from 10:30 yesterday morning until 4 something yesterday afternoon, in which any number of Members of Congress came before the committee to testify in this matter of having forced upon them projects that concerned them not only without consideration in the Committee of the Whole House but also without any consideration at all by anybody else in the House.

Some of us thought that was not the way to run this Congress. Some of us think that we have certain obligations to be somewhat cautious, and to exercise some responsibility about the authorizations and appropriations we make around here. So that led to this controversy, and we had, as I stated, any number of Members of Congress who came and protested against some of these amendments made in the other body.

The evidence was so clear that some of these projects should not be in this bill at the present time without consideration by the House that we had some discussion with the House conferees and the House leadership. I think, and I have reason to hope and expect, when this bill goes back to conference the House conferees are going to stand upon these matters that should not have been in this bill and that everybody knows they should not be in the bill. That is about all I can say on the matter.

All the information we have upon which to consider these Senate amendments—is a conference print, and that, with the amendments put on by the other body comes to 90 pages. I knew this matter was coming up, so I had an opportunity to go to the country over the weekend and spend a couple of days trying to find out what it was all about. I think I know a little bit about the matter. But no one can comprehend all of these projects and their merits in the short time and on the small amount of information we have.

I will conclude my statement by saying that I devoutly and sincerely hope and expect that the conferees are going to stand by the House bill and not indulge in this type of irresponsible legislation.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I want to commend the chairman of the Rules Committee, first for having the meeting yesterday and considering this bill. I was the one who objected to the bill going to conference because of the fact that these

projects which have been referred to by the chairman of the Rules Committee were included by the other body, and unless we had an opportunity to go before the Rules Committee there would have been no opportunity for the Members of this House to voice their objection. With the understanding that has been agreed to, I am in favor of this bill going to conference.

Mr. SMITH of Virginia. The gentleman did appear before the committee and disclosed to the committee that certain items placed in this bill had not been considered in the House but had been taken from the committee which has jurisdiction, which is his Committee on Interior and Insular Affairs, that were taken over by the Committee on Public Works of the other body.

Mr. AVERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not think we need to long belabor the debate on this resolution. The gentleman from Virginia [Mr. SMITH] has pointed out the principal issues that made House action necessary to send this bill to conference.

I have some comment to make in addition to the point brought out by the gentleman from Virginia [Mr. SMITH].

In the first place, I would like to ask a question and of course this question cannot be answered. If anybody wants to answer it, I will be glad to have it for the RECORD. I wonder why we are considering a public works authorization here not in the closing weeks, or not in the closing days, but in the closing hours of a session of Congress that has been going on for 2 years. I do not believe hearings were held on this so-called omnibus public works bill for 1963 until sometime in September. And here we are trying to compress an orderly procedure, possibly authorizing the expenditure of over \$3 billion, into a few days of legislative procedure, when a substantial number of Members are not able to be present.

I consider that to be very poor management on the part of the majority, and I do not think it can be defended. If there is any defense for such procedure, I would welcome any Member of the majority stating their justification for this unwarranted delay.

Mr. Speaker, in respect to the additions that were placed in this bill by the other body, as the gentleman from Virginia told us—and I think it may be repeated later—there ostensibly has been an addition of about \$1.5 billion in projects added by the other body.

Mr. Speaker, the minority reported in the Rules Committee yesterday that this was not a realistic figure; that actually there was half a billion dollars in addition to that amount, although it is not spelled out in this bill. There are commitments in this bill that will have to—the end result of an addition by the other body of almost \$2 billion rather than \$1.5 billion set out in the Senate amendment. So, after all, we are talking about or we may be talking about a \$4 billion commitment. Yet here we are debating it in the floor of the House with 248 Members answering to a quorum call and about 240 of those Members would like to be home.

Mr. Speaker, I do not think this is responsible procedure. But, of course, this is a bill in which nearly half of the Members of the House have very deep and sincere interests. Of course, it also has political repercussions.

Mr. Speaker, it has been frequently referred to by our friends in the press as a pork-barrel bill. That may be right. However, be that right or be it wrong is beside the point.

This is a bill that authorizes public works that are of vital concern to the economy of every State in the Union and many cities are directly or indirectly affected by projects contained in this bill. So, from a realistic standpoint, it is necessarily going to attract a considerable amount of attention from all the States in the Union and congressional action can be anticipated and expected.

Now, Mr. Speaker, one final point: I would like to break these Senate amendments down into four categories. If the conference report comes back to the House, I would hope at least that these categories will be established by the conferees and that the projects which remain in the conference report will fall into only one of the categories and final judgment will be placed on this basis:

First, there are projects in this bill that have been approved by the Bureau of the Budget and which are not controversial. The informal judgment of the Rules Committee seemed to be yesterday that there would not be substantial objection to this category of projects that was added by the other body. May I repeat that: Projects that have been approved by the Bureau of the Budget and which are not controversial—and I shall not attempt to suggest what number of projects may be in that particular context.

The second category involves projects that have been approved by the Bureau of the Budget and are controversial. There are some of these projects which are controversial even as between House Members from the same State. As the gentleman from Virginia [Mr. SMITH] told us just a moment ago, these Members resent, if you please—and I think that is the right word—that they were not afforded an opportunity even to be heard on these projects that are in the bill which are located in their districts and to which they are opposed.

Of course, the third category involves projects that are not approved by the Bureau of the Budget and are controversial.

Mr. Speaker, it was my understanding in the Rules Committee that the House conferees would reject all the projects that have not been approved by the Bureau of the Budget and which are controversial, particularly those opposed by House Members.

Then there is the fourth separate category, as stated by the gentleman from Pennsylvania [Mr. SAYLOR] that includes projects clearly beyond the jurisdiction of the Committee on Public Works, and contained in this bill.

I should hope, Mr. Speaker, that the conferees will object to those projects as well.

Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. CRAMER].

2, 20, 27, and 33, to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 8355) to authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5700) to amend the Tariff Act of 1930 to permit the designation of certain contract carriers as carriers of bonded merchandise.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H.R. 7283. An act to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses;

H.R. 8938. An act to provide a more definitive tariff classification description for lightweight bicycles;

H.R. 10650. An act to amend the Internal Revenue Code of 1954 to provide a credit for investment in certain depreciable property, to eliminate certain defects and inequities, and for other purposes; and

H.J. Res. 712. Joint resolution to direct the Franklin Delano Roosevelt Commission to consider possible changes in the winning design for the proposed memorial or the selection of a new design for such memorial.

CONTINUING APPROPRIATIONS FOR DEPARTMENT OF AGRICULTURE, 1963

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Georgia will state it.

Mr. RUSSELL. What disposition is usually made of documents such as the remarkable one which the Senate has just received from the other body?

The PRESIDING OFFICER. The custom is to leave such documents at the desk of the Presiding Officer; and the Senate can take whatever action it may see fit to take.

Mr. RUSSELL. It will lie on the desk of the Presiding Officer?

The PRESIDING OFFICER. Yes.

Mr. RUSSELL. Very well, Mr. President. I suppose that is about as good a disposition as could be made of it at this time. I can think of a somewhat better depository than the desk of the Presiding Officer, but I shall not mention that at this time.

But later—perhaps by the first of next week—I probably will have a resolution to submit with respect to that document.

Mr. MORSE. Mr. President, did I correctly understand the Senator from Georgia to say the first of next week, or the first of next month?

Mr. RUSSELL. I hope to start this constitutional debate by the first of next week, but I think it will require some time to conclude it. At the least, it will have to last until we can prevail upon our colleagues in the other body to read the clear language of the Constitution of the United States. When and if we can induce them to read the language of the Constitution, I think we might be able to solve the issue.

Mr. MORSE. Mr. President, I do not think the Senator from Georgia was in the Chamber when I referred to the problem involved in this case—namely, the effort of the House to turn the Senate into an American House of Lords. I want the Senator from Georgia to know that I stand shoulder to shoulder with him in his endeavor to maintain the constitutional rights of the Senate. Although I am eager to go home, for obvious reasons, there is no greater service I could render my constituents than to remain here—although we might take a holiday on election day—until Christmas, if necessary, in order to protect the constitutional rights of the Senate.

Mr. RUSSELL. Mr. President, I am most grateful to the distinguished Senator from Oregon.

Let me say that in connection with this matter, the Senate has carried good nature to an extreme, in the desire of Senators to return to their respective homes; and the other body has not hesitated from time to time, to play upon that desire, and to take advantage of the very natural desire on the part of the Members of the Senate, as well as our willingness to placate the other body and to tolerate their whims and fancies and fantastic interpretations of the Constitution of the United States. But I think the time has about come when the Senate should—if it expects to be a coequal body—make up its mind to stay here until this question can be settled.

Mr. MORSE. Let me say to the Senator from Georgia that once, when I was dean of the University of Oregon Law School, the legal education committee of the State bar recommended that our law school include in the curriculum an advanced course on constitutional law. It was called the course on legislation. I taught it for many years.

In that course, I taught a straight constitutional lesson in regard to the format of our system of government, with its three coordinate, equal branches. That course was taught on the basis of a group of cases known to all law students who have taken the standard course on legislation as the group of cases which involves the matter of the rights and duties of the House of Representatives and of the Senate. It covered the great difference between the House of Commons and the House of Lords, under the British parliamentary system, and the great superiority of the system of checks and balances of our constitutional form of government, by reason of having two coequal and coordinate branches of the Government in our legislative branch.

I want my friend the Senator from Georgia to know that I never knowingly have walked out on any of my teachings, and at this time I do not intend to walk out on this great constitutional issue.

All I can wish for the Senator from Georgia is stamina, which he possesses in abundance, and determination—and I have never known his determination to weaken. I do not need to wish him well in regard to the presentation of his arguments, because the brilliance of his mind will take care of that.

I am a private in his ranks; he is my constitutional general, and he can call upon me to fire whatever ammunition he puts in my possession.

Mr. RUSSELL. Mr. President, if the Senator from Oregon will permit, insofar as it is within my power, I shall be glad to make the distinguished Senator from Oregon a five-star general in this contest, because he has the advantage of having taught the course in constitutional law over so long a period of years. It is unfortunate that some persons—whom I shall not name—did not have an opportunity to sit at the feet of the Senator from Oregon, because if they had, they might have learned what the Constitution is, and they might have some idea of what it contains.

The only thing I ask of the Senator from Oregon is that he refresh himself from his notes in connection with his lectures, and be prepared to enter in the records of Congress his views on this subject, in order that future generations may not be as misguided as some of the present generation appear to be.

Mr. MORSE. Mr. President, I appreciate the willingness of the Senator from Georgia to seek to supply me with students. But our institution had very strict qualifications for admission to the law school.

Mr. RUSSELL. Then I shall have to modify my statement.

THE O. & C. LANDS—THEIR HISTORY

Mr. MORSE. Mr. President, on August 28, ex-Governor Sprague, of Oregon, who has long been chairman of the O. & C. Advisory Board, made a major speech at a banquet commemorating the 25th anniversary of the passage of this legislation, which created sustained yield management for these Federal forest lands.

Ex-Governor Sprague made an excellent speech. He went back into the history and set forth the attitude and thoughts of people in the early days following the reversion of these lands from the railroad; and then he brought these thoughts forward, and expertly noted the shifts in public attitude. For example, at one stage of events, the call was to place these lands in agricultural use. Only a few persons pointed out that these lands were not suited to agriculture. Others expressed strong opposition to any further increase in the national forests. Times changed, and events which caused a substantial revision of thinking took place.

It was particularly appropriate therefore, at this juncture in time, for Gover-

nor Sprague to make the speech he did. The issues are now somewhat different in setting and dimension, but the problems confronting Oregon on the use of private and public timber lands remain large and challenging.

Governor Sprague has done more than discuss the history of O. & C. lands. He has discussed the framework within which conservation policy is made. Therefore, I commend his speech, not only to the lumber industry and to conservationists, but also to all within the State, and specifically to those in high schools and colleges.

I ask unanimous consent that Governor Sprague's speech be printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY GOVERNOR SPRAGUE AT THE O. & C. ADVISORY BOARD BANQUET ON AUGUST 28, 1962, SALEM, OREG.

Thank you, Mr. Toastmaster, and distinguished guests here at the head table, members of the O. & C. staff, Bureau of Land Management, and representatives from the county courts and county commissions, and guests.

Well, this is certainly an auspicious occasion, that on this 25th anniversary we can assemble and meet in such amity and accord in considering a field which has been fraught with controversy and debate over a long period of time. This happy occasion is not an accident by any means. It's the fruit of labors of many, many people—labors that began way, way back, and they have been continued through the years. You have had a very thorough course in the history of the O. & C. lands and their reversion in the address which Dave Mason gave today. It's a very comprehensive, compact statement of the history and, as he said, there is a great deal more than he was able to get in in one afternoon's paper.

I do think that on this occasion it would be a good thing for us to mention the names of some of those who have been conspicuous in this work. As we look back at 1937, Senator McNary and Congressman Mott were very active in obtaining the passage of this act, which is the basic act at the present time; and Guy Cordon as the attorney for the Association of O. & C. Counties spent a great deal of time in Washington trying to get through this progressive legislation. Also, back at that time were County Judge Earl Day of Jackson County and Victor Moses who had been county judge of Benton County.

As you go back to 1926 when the Stanfield Act was passed, which was an effort to shake loose some money from the treasury after the funds had dried up under the Chamberlain-Ferris Act, Stanfield was the U.S. Senator and the act bears his name. Willis C. Hawley was the Congressman from the First District and he was active in the House in that matter. But all through the years there has been a continuing contribution by the county courts—I can't begin to list all of the county judges and commissioners who have had a hand in prodding the Government for action, making trips to Washington and all of that; and they now have some very tangible rewards.

The present county courts and commissions owe a great deal to their predecessors in office. Then, as has been mentioned, we have been fortunate in the leadership of the Bureau of Land Management in Oregon, or its predecessor before it was the Bureau. Mention was made this afternoon of that very able and fine person, Walter Horning, who devoted so much of his life to this great undertaking, both in the field here and later

when he was transferred to Washington. It is a matter of very great regret to those of us who knew him that his retirement was cut short by death before he had the chance really to complete the wrap-up of the history of this great cause. Then we had Dan Goldy, who was described by Mr. Landstrom today as something of an innovator. Indeed he was, he rattled the dry bones, no doubt about it. And while some said he was not so much of an executive, he certainly was bristling with ideas. And I think we must give Dan Goldy and Netzorg, his solicitor, the credit for driving through the reciprocal road agreement regulations which have unlocked these checkerboarded areas for open competitive bidding. That work also had considerable help from the advisory board and we had a committee of which Frank Sever was the chairman, and it worked very, very hard with the staff to develop these road regulations. It is a matter, I think, of pride to those of us who have been on the advisory board that this was worked out with the cooperation of the board and worked out so that it has been very successful.

Now I want to run down—it will be partly repetitive of what Dave said today but there are others here who were not here this afternoon. I will mention some of the achievements under BLM management. There is the access roads, first by appropriation and we had to fight to get appropriations from Congress, and later by the counties' willingness to divert the 25 percent to which they had become entitled in this road work. Later, of course, they added to that reforestation, and now recreation, so that that 25 percent is proving a very, very valuable fund as it is expended, under authority of Congress, by BLM.

Another thing I think that we perhaps had a hand in is the improvement in legislation for fire protection that followed the 1951 fires. There was quite a controversy in the advisory board over operation, particularly on the Vincent Creek fire down on the coast, and while those who were responsible had vigorous defense, nevertheless the next legislature strengthened greatly the fire prevention legislation and it has been very effective and very valuable for the protection of not only BLM land but other lands which are under the State forest department and the fire patrol associations.

Then there is another matter that has been accomplished—the settlement of the controverted lands issue. That inheritance from the past where some of the lands to which the railroad had claim were locked into the Federal forests and managed by the Forest Service, but that was finally settled by legislation with a hand by Lafferty and the courts. And then there followed the exchange between the BLM and the Forest Service of some of those marginal lands.

We had, particularly under Roscoe Bell, aggressive action on salvage sales after the big blowdown of 1951. Those of you who were connected with us back in 1948 will recall the great hearing in Eugene over the sustained unit proposals for the Fischer Bros. at Marcola. That was a battle royal between those who favored that system of cooperative sustained units and those who condemned the chosen instrument policy. The funny thing was that Girard Davidson, who was then the Assistant Secretary of the Interior, sustained the policy of the cooperative sustained yield. What he said as far as the Fischer Bros.' project was concerned, they would have to work the agreement over. They didn't agree on the agreement and Fischer Bros. later sold out. There has never been a proposal for a cooperative sustained yield unit since. Whether that is good or bad would still be a subject, I suppose, of controversy. Dave Mason referred to it some in his paper today.

Then there was something else that was accomplished just a few years ago which I

believe loosened up the marketing of O. & C. timber, and that was the dropping of the master unit. You may recall that the sale for primary processing was limited to the master unit. That served to nail down the trees to the area in which they were grown. Well, more enlightened policy, I believe, prevailed and after a period of hearings and consideration, that policy was dropped and now timber goes to the best market.

I can mention also the improvement in inventory which has been accomplished, part of the fruits of which we had reported to us today, with the increase in allowable annual cut, although it was not attributed to any revision of inventory but rather to fresh studies.

I would mention also the great improvement in organization and in management policies. As I look back at the staff which they had in 1948, the meagre staff facing this scattered area of over 2 million acres, all across Oregon, and how they were trying to get organized, with the people clamoring for timber and all of that, and then note the improvement that has followed through the years—the development of the staff—the growing experience of the staff members—the greater confidence that they had in administering the law—and the greater confidence that buyers of timber and the public had in the staff—I think that that is one of the reasons why the authorities in Washington praised the administration of O. & C. lands.

I think we should mention some of those. I mentioned Horning; and there were Dan Goldy and Roscoe Bell, who, by the way, is now land commissioner up in Alaska where he has millions more acres to administer than he ever had here in Oregon; and Jim Doyle who has been transferred back to Washington, and now Russ Getty, and of course Travis Tyrrell who has been a stalwart through the years, especially in the fields of forestry and range management. Then we have had some good members of the advisory board, believe it or not. Frank Sever is here, he was long a representative of the counties. Dave Mason has been a member since the beginning of time as far as the board is concerned; Roy Morse from over at Longview, representing the Long-Bell people; the late Stuart Moir, a fine, fine forester; the late Floyd Hart of Medford; Loran Stewart from Cottage Grove; and we have had also representation from State agencies like the State forester and the mining director, and others. I don't pretend that this list by any means covers those who deserve credit for the considerable achievement under this administration.

Now, don't be alarmed, but I want to show you this. [A bound-volume edition.] This is not my speech, so you can compose your worries. I am going to take you back into ancient history. This is a very remarkable document from the State library. I don't know whether there is another like it anywhere, but there may be in the Portland public library. It reports a conference that I had never heard about before. These are the official proceedings of the O. & C. railroad land-grant conference which was held in Salem in September of 1915. You may recall that the Supreme Court issued in its decision in this case, it was not too sharp a decision as far as the public was to know what to do, or the railroad or other officials. It sort of kicked it back to Congress to do something, and it gave Congress, I think, about 6 months. That decision came down in June. The conference was held in September. Now this was a blue ribbon conference. I have gone over the list of names, and I doubt if ever in the history of Oregon, perhaps since the original constitutional convention in 1857, there was as distinguished a group of leaders who assembled to consider a public question. It was called by Governor Withycombe at the request or sug-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

Issued Oct. 12, 1962
For actions of Oct. 11, 1962
87th-2d, No. 187

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HIGHLIGHTS: Both Houses agreed to conference report on agricultural appropriation bill. Both Houses agreed to conference report on roads bill. Senate passed supplemental appropriation bill. Sen. Dirksen criticized farm program. Sen. Morse urged Tariff Commission action to restrict lumber imports.

SENATE

1. SUPPLEMENTAL APPROPRIATION BILL, 1963. Passed with amendments this bill, H. R. 13290 (pp. 21938-50). Agreed to the committee amendments en bloc which included items for this Department (see Digest 184 for a summary of these items) (pp. 21939-40). Senate conferees were appointed (p. 21950). This bill also includes \$1,000,000 for the Department of Commerce for research on transportation policies, \$450,000 for the Department of Commerce for trade adjustment assistance to import-injured firms, \$500,000 for the Bureau of Outdoor Recreation, and \$850,000 for the revolving fund of the Virgin Islands Corporation to help in meeting the demands for electric power in the islands.
2. ROADS. Both Houses agreed to the conference report on H. R. 12135, the roads authorization bill for 1964 and 1965 (pp. 21919, 21969-70). This bill will now be sent to the President. This bill includes authorizations for forest highways of \$33 million for fiscal years 1964 and 1965, and for forest develop-

ment roads and trails an additional \$10 million for fiscal year 1963, \$70 million for fiscal year 1964, and \$84 million for fiscal year 1965.

3. FARM PROGRAM; LEGISLATIVE RECORD. Sen. Dirksen reviewed the legislative record of this session of Congress, criticized the administration's farm proposals and other aspects of the administration's legislative program, and stated that "never in the history of the Nation has the Congress spent so much time accomplishing so little as it did in the 2nd session of the 87th Congress." pp. 21902-11
4. FORESTRY. Sen. Morse urged the Tariff Commission to take action to restrict softwood lumber imports from Canada and expressed his disagreement with a Tariff Commission interpretation that provisions of the Trade Expansion Act of 1962 varies from present law as concerns escape clause procedure. pp. 21919-22
5. FOREIGN TRADE. Sen. Mansfield inserted the President's statement upon his signing of the Trade Expansion Act of 1962 in which he stated that it "is the most important international piece of legislation ... affecting economics since the passage of the Marshall plan." p. 21927
6. ELECTRIFICATION. Sen. Morse inserted a letter to the editor by Clyde T. Ellis in which he stated that a story on the Western States Water and Power Consumers Conference "failed to fully and accurately reflect my views on the question of the threat of economic dictatorship by the commercial power companies." pp. 21954-5
7. CRANBERRIES. Received from GAO a report on the review of the cranberry indemnity program, AMS. p. 21892
8. LEGISLATIVE PROGRAM. Sen. Mansfield stated that the following three conference reports will probably be considered on Fri.: public works appropriation bill, public works authorization bill, and supplemental appropriation bill. p. 21954

HOUSE

9. AGRICULTURAL APPROPRIATION BILL, 1963. Both Houses agreed to the third conference report on items in disagreement on this bill, H. R. 12648, and acted on four amendments further reported in disagreement (pp. 21914, 21934-7, 21960-1, 22007, 22008-9). This bill will now be sent to the President. Attached to this Digest is a copy of the conference report on the action of the conferees on the items in disagreement. With regard to Senate amendments 2, 47, 51, and 53, which were further reported in disagreement, the following actions were taken:
No. 2: Both Houses receded from disagreement and agreed to an amendment as follows: "For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, and acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$77,473,000; plus additional amounts for research as follows: \$325,000 for staffing new research laboratories, \$670,000 for research on cost of production, and \$4,875,000 for expanded utilization research; and plus the following amounts, to remain available until expended, for construction, alteration and equipping of facilities; \$395,000 for soil and water research facilities at Sidney, Montana, \$450,000 for poultry research facilities at East Lansing, Michigan, \$400,000 for Mandan, North Dakota, \$125,000 for the Southern Piedmont soil and water facility, \$585,000 for Tuscon, Arizona, \$500,000 for the regional tree fruit and nut crops station in the Southeast, \$165,000 for the research station at Carbondale, Illinois, and \$160,000 for improvement of heating, water and electrical systems at the Agricultural Research Center at Beltsville, Maryland; in all, \$86,123,000."

No. 47: House receded and agreed to the Senate amendment to provide that Public Law 480 funds may be used for "unrecovered prior years' costs, including interest thereon."

No. 51: Both Houses receded from disagreement and agreed to an amendment to provide that funds for the International Wheat Agreement may be used for "expenses during fiscal year 1963 and unrecovered prior years' costs, including interest thereon."

No. 53: Both Houses receded from disagreement and agreed to an amendment to provide that funds for the barter and exchange of agricultural commodities for the supplemental stockpile may be used for "expenses during fiscal year, 1963 and unrecovered prior years costs."

The House Appropriations Committee reported H. J. Res. 903, to make continuing appropriations for the Department of Agriculture and related agencies for the fiscal year 1963, but no action was taken on this measure in view of agreement of the regular annual appropriation bill (H. Rept. 2551). p. 22015

10. MINING. Both Houses agreed to the conference report on S. 3451, to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed. This bill will now be sent to the President. pp. 21914, 21959-60

11. D. C. APPROPRIATION BILL, 1963. Both Houses agreed to the conference report on this bill, H. R. 12276. This bill will now be sent to the President. pp. 21915-9, 21965-9

12. TERRITORIES. Received from Interior a proposed bill "to promote the economic and social development of the Trust Territories of the Pacific Islands"; to Interior and Insular Affairs Committee. p. 22015

13. COMMITTEES. Rep. H. Carl Andersen resigned from, and Rep. Odin Langen was elected to, the Committee on Appropriations. p. 21965

The Interstate and Foreign Commerce Committee issued a report on the activities of that Committee (H. Rept. 2553). p. 22015

ITEMS IN APPENDIX

14. FARM PROGRAM. Extension of remarks of Rep. Beckworth inserting an article, "Government Makes No Hay With Farmers." p. A7559

Extension of remarks of Rep. Norblad inserting an article "on the subject of the need for freedom in agriculture." pp. A7590-1

Extension of remarks of Rep. Weaver inserting an article on the new farm bill which suggests that "the major provisions of the bill are, in themselves, constructive for the agricultural economy." pp. A7601-2

15. LEGISLATIVE PROGRAM. Extension of remarks of Reps. Collier, Johnson (Calif.), Ichord, and Cahill inserting resumes of major legislation enacted during the Congress. pp. A 7560-2, A7581-2, A7585-6, A7592-4

Extension of remarks of Sen. Kefauver stating that "the many procedural difficulties confronted by this Congress constitutes overwhelming evidence of the necessity of Congress considering substantial reforms in a number of its ways of doing business." pp. A7562-3

16. LABELING; MARKETING. Extension of remarks of Rep. Lane inserting an article, "Advertising: True or False." pp. A7563-5

17. FLOOD CONTROL. Extension of remarks of Rep. Rogers inserting the report of the Resolution Committee of the National Rivers and Harbors Congress. pp. A7602-3

18. PATENTS. Extension of remarks of Rep. Mathias urging an investigation of the existing law and actual practice with respect to copyrighting and inserting an article. pp. A7611-2
19. FOREIGN TRADE. Extension of remarks of Rep. Betts inserting an article, "Foreign Trade Offers No Magic." pp. A7616-9

BILLS INTRODUCED

20. TERRITORIES. H. R. 13396, by Rep. Aspinall, to promote the economic and social development of the Trust Territory of the Pacific Islands; to Interior and Insular Affairs Committee.
21. COMMISSION. H. R. 13397, by Rep. Bell, to provide for the establishment of a Permanent Commission on Governmental Operations; to Government Operations Committee.

BILLS APPROVED BY THE PRESIDENT

22. FOREIGN TRADE. H. R. 11970, the "Trade Expansion Act of 1962". Approved October 11, 1962 (Public Law 87-794).
23. FHA LOANS. H. R. 12653, to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase from \$150 million to \$200 million annually the amount of loans which may be insured under the Act. Approved October 11, 1962 (Public Law 87-793).
24. WHEAT. H. R. 13241, to amend Sec. 309 of the Food and Agriculture Act of 1962 so as to provide that a farm marketing quota on the 1963 crop of wheat shall be applicable to any farm on which acreage of wheat planted exceeds the smaller of 15 acres or the highest number of acres planted to wheat on the farm in calendar years 1959, 1960, 1961, or 1963, (instead of 1959, 1960, or 1961). Approved October 11, 1962 (Public Law 87-801).
25. RICE. S. 3152, to provide for the nutritional enrichment and sanitary packaging of rice prior to its distribution under certain Federal programs, including the national school lunch program. Approved October 11, 1962 (Public Law 87-803).

DEPARTMENT OF AGRICULTURE AND RELATED
AGENCIES APPROPRIATION BILL, 1963

OCTOBER 11, 1962.—Ordered to be printed

Mr. WHITTEN, from the committee of conference, submitted the
following

CONFERENCE REPORT

[To accompany H.R. 12648]

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 19, 44, 48, 49, 50, 52, and 54.

The committee of conference report in disagreement amendments numbered 2, 47, 51, and 53.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,
Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

Amendment No. 2—*Research*: Reported in disagreement. The managers on the part of the House will offer a motion to recede and concur with an amendment which will include the following Senate increases and amounts to which the conferees have agreed:

Research:

To staff new research laboratories.....	\$325, 000
Cost of production research.....	670, 000
Expanded utilization research.....	4, 875, 000
Total.....	5, 870, 000

Construction:

Soil and water facilities, Sidney, Mont.....	395, 000
Soil and water facilities, Mandan, N. Dak.....	400, 000
Soil and water facilities, Watkinsville, Ga.....	125, 000
Entomology and crop facilities, Tucson, Ariz.....	585, 000
Tree fruit and nut crops facilities, Byron, Ga.....	500, 000
Small fruit facilities, Carbondale, Ill.....	165, 000
Modernization of facilities, Beltsville, Md.....	160, 000
Poultry research facilities, East Lansing, Mich.....	450, 000

Total.....	2, 780, 000
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Total increases.....	8, 650, 000
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House bill total.....	77, 473, 000
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Total, 1963 appropriation.....	86, 123, 000
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AGRICULTURAL MARKETING SERVICE

Amendment No. 19—*Construction of facilities*: Eliminates \$1,600,000 for research facility in Georgia.

COMMODITY CREDIT CORPORATION

Amendment No. 44—*Reimbursement for net realized losses*: Appropriates \$2,278,455,000 as proposed by the House instead \$2,066,955,000 as proposed by the Senate.

FOREIGN ASSISTANCE PROGRAMS

Amendments Nos. 47 through 50—*Public Law 480*: Include language inserted by the Senate and appropriate \$1,080,632,000 under title I as proposed by the House instead of \$700,000,000 as proposed by the Senate and \$250,000,000 under title II as proposed by the House instead of \$189,000,000 as proposed by the Senate and \$40,000,000 under title IV as proposed by the House instead of \$50,000,000 as proposed by the Senate.

Amendments Nos. 51 and 52—*International Wheat Agreement*: Restore House language, insert Senate language, and appropriate \$81,218,000 as proposed by the House instead of \$15,650,000 as proposed by the Senate.

Amendments Nos. 53 and 54—*Bartered Materials for Supplemental Stockpile*: Restore House language, insert Senate language, and appropriate \$125,000,000 as proposed by the House instead of \$92,867,000 as proposed by the Senate.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,

Managers on the Part of the House.



tor from the State of Florida, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. HOLLAND thereupon took the chair as Acting President pro tempore.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, I am about to make a unanimous-consent request that the Senate stand in recess until 4 p.m. today, so that it will be possible to have as much business as is available considered at the same time, rather than for the Senate to operate in spurts, as the recent procedure would seem to indicate.

It is the intention of the leadership today to bring up the conference report on the District of Columbia appropriation bill, which I understand has cleared the House of Representatives. It is also the intention to bring up the conference report on the pay bill for the teachers in the District of Columbia; also the conference report on the Highway Act; and, depending on developments, the conference report on the agricultural appropriation bill.

If that is brought up today, I wish to say to the Acting President pro tempore, the distinguished senior Senator from Florida [Mr. HOLLAND], that it is the intention to try to proceed to the consideration of the conference report on the supplemental appropriation bill, as well.

At the present time the public works authorization bill is in conference. I understand that the conferees are meeting this afternoon. What progress will be made remains to be seen.

There will also be the conference report on the public works appropriation bill, which will come up at the conclusion of consideration of the pending business.

To the best of my knowledge, that is the schedule of the remaining measures for the Senate and the House to consider.

RECESS UNTIL 4 P.M.

Mr. MANSFIELD. Mr. President, if no Senator wishes to speak at this time, I ask unanimous consent that the Senate stand in recess until 4 p.m. this afternoon.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, at 1 o'clock and 2 minutes p.m. the Senate took a recess until 4 p.m. on the same day.

The Senate reassembled when called to order by the Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House further insisted upon its disagreement to the amendments of the Senate numbered 2, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54 to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the

fiscal year ending June 30, 1963, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1447) to amend the District of Columbia Teachers' Salary Act of 1955, as amended, and to provide for the adjustment of annuities paid from the District of Columbia teachers' retirement and annuity fund.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3451) to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 6371) to amend section 37 of the Internal Revenue Code of 1934 with respect to the limitation on retirement income.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H.R. 8517. An act to grant emergency officer's retirement benefits to certain persons who did not qualify therefor because their applications were not submitted before May 25, 1929; and

H.R. 9045. An act to amend the Trading With the Enemy Act, as amended.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10620) to amend section 213 of the Internal Revenue Code of 1954 to increase the maximum limitations on the amount allowable as a deduction for medical, dental, etc., expenses; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. KING of California, Mr. BOGGS, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12135) to authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12276) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1963, and for other purposes; that the House received from its disagreement to the amendments of the Senate numbered 7, 10, 12, 19, 25, 26, and 27 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the

Senate numbered 1, 8, 11 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 555. An act for the relief of Elmore County, Ala.;

H.R. 1691. An act for the relief of Elaine Veronica Brathwaite and Jessie Bamer;

H.R. 3131. An act for the relief of Richard C. Collins;

H.R. 5260. An act to continue for an additional 3-year period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof;

H.R. 5700. An act to amend the Tariff Act of 1930 to permit the designation of certain contract carriers as carriers of bonded merchandise;

H.R. 6190. An act to amend title 38 of the United States Code to provide for the repair or replacement for veterans of certain prosthetic or other appliances damaged or destroyed as a result of certain accidents;

H.R. 6691. An act to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes;

H.R. 6836. An act to amend the Policemen and Firemen's Retirement and Disability Act;

H.R. 7791. An act to amend title 13 of the United States Code to provide for the collection and publication of foreign commerce and trade statistics, and for other purposes;

H.R. 8140. An act to strengthen the criminal laws relating to bribery, graft, and conflicts of interest, and for other purposes;

H.R. 8355. An act to authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, for for other purposes;

H.R. 8874. An act to authorize certain banks to invest in corporations whose purpose is to provide clerical services for them, and for other purposes;

H.R. 8952. An act to amend the provisions of the Internal Revenue Code of 1954 relating to the conditions under which the special constructive sale price rule is to apply for purposes of certain manufacturers excise taxes and relating to the taxation of life insurance companies, and for other purposes;

H.R. 9285. An act for the relief of Helenita K. Stephenson;

H.R. 9777. An act to amend Private Law 87-197;

H.R. 10002. An act for the relief of civilian employees of the New York Naval Shipyard and the San Francisco Naval Shipyard erroneously in receipt of certain wages due to a misinterpretation of a Navy civilian personnel instruction;

H.R. 10026. An act for the relief of Thomas J. Fitzpatrick and Peter D. Power;

H.R. 10129. An act to amend the act of September 7, 1957, relating to aircraft loan guarantees;

H.R. 10199. An act for the relief of Lester A. Kocher;

H.R. 10423. An act for the relief of Mrs. Dorothy H. Johnson;

H.R. 10541. An act to assist States and communities to carry out intensive vaccination programs designed to protect their populations, particularly all preschool children;

against poliomyelitis, diphtheria, whooping cough, and tetanus;

H.R. 10605. An act for the relief of Joan Rosa Orr;

H.R. 10708. An act to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity;

H.R. 10936. An act to permit the Postmaster General to extend contract mail routes up to 100 miles during the contract term, and for other purposes;

H.R. 11058. An act for the relief of Carl Adams;

H.R. 11578. An act for the relief of Don C. Jensen and Bruce E. Woolher;

H.R. 11899. An act to amend the Federal Property and Administrative Services Act of 1940, as amended, to provide for a Federal telecommunications fund;

H.R. 12313. An act for the relief of Jane Froman, Gypsy Markoff, and Jean Rosen;

H.R. 12402. An act for the relief of Concetta Maria, Rosetta, and Tomasino Mangiaracina;

H.R. 12513. An act to provide for public notice of settlements in patent interferences, and for other purposes; and

H.R. 12599. An act relating to the income tax treatment of terminal railroad corporations and their shareholders, and for other purposes.

RELIEF FOR RESIDENTIAL OCCUPANTS OF UNPATENTED MINING CLAIMS—CONFERENCE REPORT

Mr. MANSFIELD obtained the floor.

Mr. CHURCH. Mr. President—

Mr. MANSFIELD. I yield briefly to the Senator from Idaho.

Mr. CHURCH. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill—S. 3451—to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read, for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of Oct. 8, 1962, p. 21589, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CHURCH. Mr. President, the conference report on S. 3451 is a fair and workable measure to do justice and equity to a number of private American citizens who have relied upon long and well-established custom and precedent in the mining States of our West. The measure I introduced into the Senate on June 20 was based on my personal investigation, study, and knowledge of cases in which men and women, many of them elderly, in Idaho, California, and other States are threatened with the loss of the homes where they have lived all of their lives, into which they have put their lifetime savings, and which in some cases represent their only property. Literally, they have no place to go to live.

The bill I introduced into the Senate was the subject of public hearings and executive agency reports. Based on the hearings and reports, the Committee on Interior and Insular Affairs amended the bill, and the Senate adopted the amendments and the bill on September 6. The House amended the Senate bill to make its provisions conform more closely to the original measure.

I can assure my colleagues in the Senate that the measure agreed upon by the conferees in no way violates the spirit of the bill approved by the Senate and in the judgment of the Senate conferees is a fair and workable measure.

I should like to touch on a few of the points in the conference version of the bill by way of giving assurance to those who will be affected by it and those who will be charged with administering this legislation.

Section 2 of the bill was revised to make the legislation applicable to any person who was a qualified applicant as of the date of enactment of this act rather than as of January 10, 1962. This was done in order that there would be no one unjustly deprived of the opportunity to benefit from this legislation.

In section 3 certain language dealing with consultation with local governments was eliminated because it was believed that even where such government was not directly concerned the consultation would take place.

Section 4 is essentially the same as the Senate bill.

Section 5 also is essentially the same. The Senate receded from the extensive formula which it spelled out for setting value in order to provide the Secretary of the Interior with full latitude to prescribe by regulation the payment formula in accordance with the many different situations which may confront him.

Section 6 is also essentially unchanged, as is the balance of the bill.

In section 1 of the bill the conferees made certain that the conveyance could include an interest up to and including a fee simple, and this taken together with the language in section 3 forms the basis of my pointing out that the elimination of the last sentence of section 4 of the Senate-passed bill remains intact in purpose. In other words, in the conference version of the bill an interest less than a fee simple may be granted on either withdrawn or non-withdrawn lands, and the question is left entirely up to the administering agency with the further proviso in section 3 that on withdrawn land consent must be obtained from the agency having jurisdiction over that land or on whose behalf the land has been withdrawn, and this agency shall set forth the terms and conditions appropriate to the situation.

This legislation therefore provides, in the judgment of the Senate conferees, a full kit of legal tools and the discretion, when it is in the public interest, to permit persons residing on mining claims for residential purposes as of the date of enactment of this act to obtain the opportunity to continue to reside upon

these lands if they meet the criteria set forth in the legislation.

Mr. President, I move the adoption of the conference report on S. 3451.

The motion was agreed to.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1963

Mr. MANSFIELD. Mr. President, it is my understanding that there is at the desk a message having to do with the agricultural appropriations. I ask that the message be laid before the Senate.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives, announcing its further insistence upon its disagreement to the amendments of the Senate numbered 2, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54 to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

Mr. RUSSELL. Mr. President, I move that the Senate further insist upon its amendments numbered 2, 19, 44, and 47 through 54, and request a further conference with the House on the disagreeing votes thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. RUSSELL, Mr. HAYDEN, Mr. ELLENDER, Mr. YOUNG of North Dakota, and Mr. MUNDT conferees on the part of the Senate at the further conference.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President—

Mr. JOHNSTON. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield to the Senator from South Carolina.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of executive business, for the purpose of consideration of seven postmaster nominations which I am about to report from the Committee on Post Office and Civil Service.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

POSTMASTERS

Mr. JOHNSTON. Mr. President, from the Committee on Post Office and Civil Service I report 7 postmaster nominations which I send to the desk; and I ask unanimous consent for the immediate consideration of the nominations.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

The legislative clerk read the following nominations of postmasters:

CONNECTICUT

Carmine J. Grote, Chester.

INDIANA

Vaughn L. Kostielnay, Arvilla.
Hiram T. Staples, Greensburg.

Committee. Republicans were represented by aids of Senator EVERETT DIRKSEN, Republican, of Illinois, and Senator ROMAN HRUSKA, Republican, of Nebraska.

KEFAUVER said the group watered his bill down to the point where it was all but useless.

They swung a "haymaker," he said, "and just about knocked this bill out of the ring."

The Pharmaceutical Manufacturers Association felt that it had won.

Senator EASTLAND, on the Senate floor, told KEFAUVER bluntly that the Kennedy administration was against him and that he only had three or four votes on the 15-man Judiciary Committee.

But at the time the world had not heard the story of Dr. Kelsey. KEFAUVER had.

Subcommittee staff members had read of problems with the drug thalidomide in Europe as early as February.

John Blair, chief economist for KEFAUVER's subcommittee, said he began to build a dossier on thalidomide in March and April.

In May, testimony about thalidomide was given before a House committee, but somehow the press missed it—or didn't recognize its significance.

After the secret meeting at which his bill was watered down KEFAUVER decided something had to be done to save it.

He recognized the publicity possibilities in thalidomide and in Dr. Kelsey's story even though the thalidomide problem had little to do with his earlier primary concern with drug prices.

"We knew we had something big from a publicity point of view," says Blair. "We just didn't know how big it was."

One day late in June or early in July a friendly reporter from the Washington Post was told by Blair about Dr. Kelsey. On July 15 the Post front-paged the story, documented through the Food and Drug Administration. Soon it spread around the Nation.

An obscure Arizona housewife read about it in a newspaper in her hometown and realized she had taken thalidomide. That was Mrs. Sherri Finkbine, whose search for a legal abortion gave further publicity to drug problems.

"Dr. Kelsey we publicized," says Blair. "Mrs. Finkbine was a bonus."

Soon the Judiciary Committee was busily rewriting the bill again. This time they were putting back parts that had been taken out June 11.

President Kennedy was soon talking about tough drug legislation, which he had neglected to support fully in his consumers message to Congress.

Republicans DIRKSEN and HRUSKA were now on KEFAUVER's side.

The payoff came August 23 on the Senate floor. The vote for KEFAUVER's strong approach: 78 to 0.

PROXMIRE'S FIGHT TO REDUCE SPENDING DURING 1962

Mr. PROXMIRE. Madam President, in the course of this session several of us have offered amendments to cut spending. My staff and I have been working for the last several days to compute the total amounts which would have been saved if the amendments had been agreed to and had been enacted into

law. We have included every amendment offered in 1962 to reduce spending except those representing reductions in spending which have been included in other amendments providing larger cuts.

I have before me a tabulation which describes each one of the amendments, what its effect would have been, the amount of saving involved, what the vote on each amendment was, and what my vote was. It also includes the few amendments that passed the Senate and raised spending above the level recommended by the Senate Appropriations Committee.

I earnestly hope the consideration of these amendments will serve notice on the administration and on various of its agencies that a number of Senators are deeply concerned about the level of spending, that they have every intention or doing everything they can on the floor of the Senate to cut back every dollar or spending which cannot be justified, and that we expect in the future, as we did this year, to insist whenever possible on justification for every dollar of spending proposed, particularly when the proposed spending exceeds the budget requests or exceeds the amounts voted by the House of Representatives. The total savings involved amount to billions of dollars. I ask unanimous consent that the tabulation be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Amendments to appropriation bills, 87th Cong., 2d sess.

MONEYSAVING AMENDMENTS TO INDEPENDENT OFFICES APPROPRIATION BILL, 1963

	Saving	Senate vote	Proxmire vote
Miller motion to recommit bill to Senate Appropriations Committee with instructions to cut the total by \$275,000,000.	\$275,000,000	Rejected, 12 to 57; Aug. 31, CONGRESSIONAL RECORD, p. 17288.	For.
Proxmire amendment to eliminate the entire subsidy of \$10,000,000 for helicopter service.	1 5,025,000	Rejected by voice vote; Aug. 31, CONGRESSIONAL RECORD, p. 17286.	
Proxmire amendments to cut back Veterans' Administration funds by \$5,000,000 for medical research and \$3,000,000 for construction of research facilities to the level requested by the administration.	2 0	Rejected, 21 to 57; Aug. 31, CONGRESSIONAL RECORD, p. 17272.	
Proxmire amendment to cut NASA funds by \$104,960,000, which would have reduced the appropriation \$188,121,000 or 5 percent, below the President's request.	3 44,960,000	Rejected, 4 to 66; Aug. 31, CONGRESSIONAL RECORD, p. 17284.	
Total saving.....	324,985,000		

INTERIOR APPROPRIATIONS

Morse amendment to increase by \$2,000,000, funds for the Bureau of Land Management to rehabilitate and conserve rangelands in the Western States.	4 \$2,000,000	Approved 42 to 28; June 11, CONGRESSIONAL RECORD, p. 9386.	Against.
Magnuson amendment to increase from \$2,000,000 to \$6,000,000 funds for acquiring additional roads for access to national forest lands.	4 4,000,000	Approved 47 to 41; June 12, CONGRESSIONAL RECORD, p. 9507.	Against.
Dirksen motion to recommit bill to Senate Appropriations Committee with instructions to reduce the total to the House-passed figure of \$868,595,000.	53,965,820	Rejected 26 to 60; June 12, CONGRESSIONAL RECORD, p. 9529.	For.
Total saving.....	53,965,820		

PROXMIRE MONEYSAVING AMENDMENTS TO LABOR-HEW APPROPRIATION BILL, 1963

	Saving	Senate vote
Amendments to reduce by \$247,105,000 27 items to the amount requested by the administration.	5 \$247,105,000	Rejected 24 to 59; July 20, CONGRESSIONAL RECORD, p. 13323.
Amendment to cut funds for the National Institutes of Health by \$120,400,000 to the level requested by the administration.	120,400,000	Rejected 32 to 48; July 20, CONGRESSIONAL RECORD, p. 13341.
Total saving.....	247,105,000	

PROXMIRE MONEYSAVING AMENDMENTS TO LEGISLATIVE BRANCH APPROPRIATION BILL, 1963

Proxmire amendment to eliminate the \$60,000 increase for the Senate majority and minority policy committees.	\$60,000	Rejected by voice vote; Aug. 2, CONGRESSIONAL RECORD, p. 14409.
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Footnotes at end of table.

Amendments to appropriations bills, 87th Cong., 2d sess.—Continued

MONEYSAVING AMENDMENTS TO PUBLIC WORKS APPROPRIATIONS BILL, 1963

	Saving	Senate vote	Proxmire vote
Proxmire amendment to delete funds for the Glen Elder dam and irrigation project in Kansas.	\$750,000	Rejected 17 to 52; Oct. 1, CONGRESSIONAL RECORD, p. 20243. Rejected 16 to 44; Sept. 29, CONGRESSIONAL RECORD, p. 20140.	For.
Hruska amendment to reduce from \$500,000,000 to \$300,000,000 funds appropriated for public works acceleration.	200,000,000		
Total saving.....	200,750,000		

PROXMIRE MONEYSAVING AMENDMENTS TO STATE-JUSTICE-COMMERCE-JUDICIARY APPROPRIATIONS, 1963

	Saving	Senate vote
Amendment to reduce funds for Maritime Administration ship construction from \$64,200,000 to \$50,000,000.	\$14,200,000	Rejected 30 to 52; Oct. 3, CONGRESSIONAL RECORD, p. 20847.

PROXMIRE MONEYSAVING AMENDMENT TO 2D SUPPLEMENTAL, 1962, APPROPRIATION BILL

Amendment to delete \$15,000,000 for Federal participation in the New York World's Fair....	\$15,000,000	Rejected 13 to 60; Apr. 16, CONGRESSIONAL RECORD, p. 6113.
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PROXMIRE MONEYSAVING AMENDMENTS TO DEFENSE DEPARTMENT APPROPRIATIONS BILL, 1963

Amendment to eliminate \$280,000,000 for construction of a conventionally powered aircraft carrier of the Forrestal class.	\$280,000,000	Rejected by voice vote; June 13, CONGRESSIONAL RECORD, p. 9621. Rejected 13 to 74; June 13, CONGRESSIONAL RECORD, p. 9616.
Amendment to reduce funds from \$491,000,000 to the administration-requested amount of \$171,000,000 for developing a "reconnaissance" and "strike" version of the B-70 bomber, known as the RS-70.	320,000,000	
Total saving.....	600,000,000	

PROXMIRE MONEYSAVING AMENDMENTS TO FOREIGN AID APPROPRIATION BILL, 1963

Amendments to reduce the Senate Appropriations Committee figures by \$785,000,000 to the amounts passed by the House.	\$785,000,000	Rejected 47 to 28; Oct. 1, CONGRESSIONAL RECORD, p. 20283.
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BREAKDOWN OF REDUCTION TOTALING \$785,000,000

	Saving
(1) Reduce funds for development grants from \$275,000,000 to \$225,000,000.....	\$50,000,000
(2) Reduce funds for investment guarantees from \$100,000,000 to \$30,000,000.....	70,000,000
(3) Reduce supporting assistance funds from \$400,000,000 to \$350,000,000.....	50,000,000
(4) Reduce contingency fund from \$290,000,000 to \$225,000,000.....	65,000,000
(5) Reduce funds for Alliance for Progress from \$575,000,000 to \$525,000,000.....	50,000,000
(6) Reduce Development Loan Fund from \$1,125,000,000 to \$775,000,000.....	350,000,000
(7) Reduce military assistance funds from \$1,450,000,000 to \$1,300,000,000.....	150,000,000
Total saving.....	785,000,000

¹ The remaining \$4,975,000, the figure provided by the House, is reflected in the \$275,000,000 saving.

² The \$8,000,000 saving is already reflected in the \$275,000,000 figure.

³ The remaining \$60,000,000 has already been accounted for in the \$275,000,000 saving.

⁴ These figures are not included in the total saving since there were no provisions for them in the House-passed bill.

⁵ This figure includes the saving of \$120,400,000 for the National Institutes of Health.

Mr. PROXMIRE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Madam President, I ask unanimous consent that further proceedings under the quorum call may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1961. An act for the relief of 1st Lt. Charles M. Cox, U.S. Army (retired); and S. 3124. An act for the relief of Lt. Col. Gustave M. Minton, Jr., U.S. Air Force.

The message also announced that the House had further disagreed to the amendments of the Senate numbered 2, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54 to the bill (H.R. 12648) making appro-

priations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WHITTEN, Mr. NATCHER, Mr. CANNON, Mr. HORAN, and Mr. TABER were appointed managers on the part of the House at the further conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 47 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 2, 51, and 53 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963—CONFERENCE REPORT

Mr. RUSSELL. Madam President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Madam President, I should like to have the clerk read the

amendment of the House to the amendment of the Senate numbered 2 in order that I may check it against some notes. There are a number of items involved and this matter has been rather confused this evening.

The PRESIDING OFFICER. The clerk will state the amendment of the House to the amendment of the Senate numbered 2.

The legislative clerk read, as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with amendment, as follows: In lieu of the matter stricken and inserted, insert the following: "Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$77,473,000; plus additional amounts for research as follows: \$325,000 for staffing new research laboratories, \$670,000 for research on cost of production, and \$4,875,000 for expanded utilization research; and plus the following amounts, to remain available until expended, for construction, alteration and equipping of facilities: \$395,000 for soil and water research facilities at Sidney, Montana, \$450,000 for poultry research facilities at East Lansing, Michigan, \$400,000 for Mandan, North Dakota, \$125,000 for the Southern Piedmont soil and water facility, \$585,000 for Tucson, Arizona, \$500,000 for the regional tree fruit and nut crops stations in the Southeast, \$165,000 for the research station at Carbondale, Illinois, and \$160,000 for improvement of heating, water and electrical systems at the Agricultural Research Center at Beltsville, Maryland; in all, \$86,123,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113(a))."

Mr. RUSSELL. Madam President, I move that the Senate agree to the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 12648, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,

October 11, 1962.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 47 to the bill (H.R. 12648) entitled "An Act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes", and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted, insert the following:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$77,473,000; plus additional amounts for research as follows: \$325,000 for staffing new research laboratories, \$670,000 for research on cost of production, and \$4,875,000 for expanded utilization research; and plus the following amounts, to remain available until expended, for construction, alteration and equipping of facilities: \$395,000 for soil and water research facilities at Sidney, Montana, \$450,000 for poultry research facilities at East Lansing, Michigan, \$400,000 for Mandan, North Dakota, \$125,000 for the Southern Piedmont soil and water facility, \$585,000 for Tucson, Arizona, \$500,000 for the regional tree fruit and nut crops station in the Southeast, \$165,000 for the research station at

Carbondale, Illinois, and \$160,000 for improvement of heating, water and electrical systems at the Agricultural Research Center at Beltsville, Maryland; in all, \$86,123,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113(a))."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 51, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "expenses during fiscal year 1963 and unrecovered prior years' cost, including interest thereon,".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 53, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "expenses during fiscal year 1963 and unrecovered prior years' costs".

Mr. RUSSELL. Madam President, I move that the Senate agree to the amendments of the House to the amendment of the Senate numbered 2, 51, and 53.

The PRESIDING OFFICER. The question is on agreeing to the motion made by the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. Madam President, I ask unanimous consent to have printed at this point in the RECORD a table on the Department of Agriculture and related agencies showing appropriations for fiscal year 1962, the budget estimates for 1963, and the House and Senate action and the conference allowance.

There being no objection, the ment was ordered to be printed in the RECORD, as follows:

Comparative statement of appropriations for 1962 and estimates for 1963, and amounts recommended in bill for 1963, and conference allowances

TITLE I—GENERAL ACTIVITIES

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in House bill for 1963	Amount recommended in Senate bill, 1963	Conference allowances, 1963
Agricultural Research Service:					
Salaries and expenses:					
Research.....	\$76,973,000	\$78,082,000	\$77,473,000	\$106,126,500	\$86,123,000
Plant and animal disease and pest control.....	58,080,500	58,902,500	56,330,500	59,180,500	58,055,500
Meat inspection.....	24,211,000	25,241,000	24,711,000	25,211,000	25,000,000
Total.....	159,264,500	162,225,500	158,514,500	190,518,000	169,178,500
Salaries and expenses (special foreign currency program).....	5,265,000	5,265,000	5,265,000	5,265,000	5,265,000
Construction of facilities.....	800,000	1,680,000	760,000		
Total, Agricultural Research Service.....	165,329,500	169,170,500	164,539,500	195,783,000	174,443,500
Cooperative State Experiment Station Service: Payments and expenses.....	36,207,000	38,207,000	38,207,000	38,207,000	38,207,000
Extension Service:					
Payments to States and Puerto Rico.....	59,590,000	60,590,000	60,590,000	63,590,000	63,590,000
Retirement costs for extension agents.....	6,260,000	6,605,000	6,605,000	7,105,000	6,765,000
Penalty mail.....	2,490,000	2,490,000	2,490,000	2,490,000	2,490,000
Federal Extension Service.....	2,464,500	2,724,500	2,464,500	2,724,500	2,499,500
Total, Extension Service.....	70,804,500	72,409,500	72,149,500	75,909,500	75,344,500
Farmer Cooperative Service.....	657,000	757,000	657,000	707,000	682,000
Soil Conservation Service:					
Conservation operations.....	89,636,000	90,725,000	90,280,000	90,825,000	90,705,500
Watershed protection.....	53,746,000	60,585,000	60,585,000	60,585,000	60,585,000
Flood prevention.....	24,999,000	24,000,000	25,000,000	24,000,000	25,000,000
Great Plains conservation program.....	10,167,000	13,000,000	12,000,000	12,500,000	12,250,000
Total, Soil Conservation Service.....	178,548,000	188,310,000	187,865,000	187,910,000	188,540,500
Economic Research Service: Salaries and expenses.....	9,410,000	10,440,000	9,410,000	9,910,000	9,500,000
Statistical Reporting Service: Salaries and expenses.....	8,758,000	9,693,000	9,618,000	9,693,000	9,693,000

Footnotes at end of table.

Comparative statement of appropriations for 1962 and estimates for 1963, and amounts recommended in bill for 1963, and conference allowances—Continued

TITLE I—GENERAL ACTIVITIES

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in House bill for 1963	Amount recom- mended in Senate bill, 1963	Conference allowances, 1963
Agricultural Marketing Service:					
Marketing research and service.....	\$38,269,500	⁴ \$40,485,000	\$38,857,000	\$40,107,000	\$39,794,500
Construction of facilities.....		1,600,000		1,600,000	
Payments to States and possessions.....	1,325,000	1,325,000	1,325,000	1,425,000	1,425,000
Special milk program.....		105,000,000	105,000,000	105,000,000	105,000,000
School lunch program.....	⁵ 125,000,000	⁶ 125,000,000	⁶ 125,000,000	⁶ 125,000,000	⁶ 125,000,000
Total, Agricultural Marketing Service.....	164,594,500	273,410,000	270,182,000	273,132,000	271,219,500
Foreign Agricultural Service:					
Salaries and expenses.....	⁹ 13,045,000	21,841,000	⁸ 16,145,000	⁸ 16,895,000	⁸ 16,895,000
Salaries and expenses (special foreign currency program).....	2,856,000	4,000,000	4,000,000	4,000,000	4,000,000
Total, Foreign Agricultural Service.....	15,901,000	25,841,000	20,145,000	20,895,000	20,895,000
Commodity Exchange Authority.....	1,007,000	1,022,000	1,022,000	1,022,000	1,022,000
Agricultural Stabilization and Conservation Service:					
Acreage allotments and marketing quotas.....	44,098,000	⁷ 44,481,000	44,098,000	(⁹)	(⁹)
Expenses, Agricultural Stabilization and Conservation Service.....	(106,548,000)	(104,435,000)	(100,423,000)	⁸ 95,423,000	⁸ 95,423,000
Sugar Act program.....	78,000,000	80,000,000	80,000,000	⁸ 77,650,000	⁸ 77,650,000
Agricultural conservation program.....	238,000,000	244,500,000	242,000,000	⁸ 212,900,000	⁸ 212,900,000
Emergency conservation measures.....	5,000,000				
Conservation reserve program.....	312,000,000	323,000,000	300,000,000	⁸ 305,000,000	⁸ 300,000,000
Special agricultural conservation and adjustment programs.....	18,500,000	18,500,000	15,000,000	(⁹)	(⁹)
Total, Agricultural Stabilization and Conservation Service.....	695,598,000	710,481,000	681,098,000	⁸ 690,973,000	⁸ 685,973,000
Office of the General Counsel.....	3,645,000	3,800,000	3,645,000	3,695,000	3,695,000
Office of Information.....	1,590,500	1,610,000	1,610,000	1,610,000	1,610,000
Centennial observance of agriculture.....	100,000				
National Agricultural Library.....	1,028,500	1,220,000	1,028,500	1,153,500	1,153,500
General administration.....	3,096,000	3,698,000	3,506,000	3,256,000	3,341,000
Total, title I, general activities.....	1,356,274,500	1,510,069,000	1,464,582,500	1,513,856,000	1,485,319,500

TITLE II—CREDIT AGENCIES

Rural Electrification Administration:					
Loan authorizations:					
Electrification.....	⁹ (\$245,000,000)	¹⁰ (\$400,000,000)	¹¹ (\$400,000,000)	¹¹ (\$400,000,000)	(\$400,000,000)
Telephone.....	¹² (162,500,000)	¹⁰ (80,000,000)	¹¹ (80,000,000)	(80,000,000)	(80,000,000)
Total, loan authorizations.....	(407,500,000)	(480,000,000)	(480,000,000)	(480,000,000)	(480,000,000)
Salaries and expenses.....	10,024,000	10,324,000	10,024,000	10,024,000	10,024,000
Total, Rural Electrification Administration.....	10,024,000	10,324,000	10,024,000	10,024,000	10,024,000
Farmers Home Administration:					
Rural housing grants and loans.....	10,000,000	10,000,000			
Direct loan account:					
Real estate loans.....	¹³ (51,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)
Operating loans.....	¹⁴ (285,000,000)	(275,000,000)	(275,000,000)	¹⁵ (290,000,000)	¹⁵ (290,000,000)
Total, direct loan account.....	(336,000,000)	(325,000,000)	(325,000,000)	(340,000,000)	(340,000,000)
Salaries and expenses.....	34,382,000	35,000,000	34,382,000	34,582,000	34,582,000
Total, Farmers Home Administration.....	44,382,000	45,000,000	34,382,000	34,582,000	34,582,000
Total, title II, credit agencies:					
Loan authorizations.....	(743,500,000)	(805,000,000)	(805,000,000)	(820,000,000)	(820,000,000)
Direct appropriation.....	54,406,000	55,324,000	44,406,000	44,606,000	44,606,000

TITLE III—CORPORATIONS

Federal Crop Insurance Corporation: Administrative and operating expenses:					
Appropriation.....	\$6,549,000	\$7,500,000	\$6,549,000	\$7,049,000	\$6,799,000
Premium income.....	(2,830,000)	(2,830,000)	(3,330,000)	(2,830,000)	(3,080,000)
Total, Federal Crop Insurance Corporation.....	6,549,000	7,500,000	6,549,000	7,049,000	6,799,000
Commodity Credit Corporation:					
Reimbursement for net realized losses.....	1,017,610,000	2,489,955,000	2,278,455,000	2,066,955,000	2,278,455,000
Reimbursements for special activities:					
International Wheat Agreement.....	88,790,000				
Emergency famine relief.....	225,685,000				
Sales for local currencies (Public Law 480).....	1,353,000,000				
Migratory waterfowl feed.....	13,000				
Bartered materials for stockpile.....	163,163,000				
Grading and classing activities.....	1,264,000				
Total reimbursements for special activities.....	1,861,915,000				
Reimbursement for special milk program.....	90,000,000	105,000,000	105,000,000	95,000,000	95,000,000
Limitation on administrative expenses.....	(47,916,000)	(43,000,000)	(47,116,000)	(43,188,500)	(43,188,500)
Total, Commodity Credit Corporation.....	2,969,525,000	2,594,955,000	2,383,455,000	2,161,955,000	2,373,455,000
Total, title III, corporations.....	2,976,074,000	2,602,455,000	2,390,004,000	2,169,004,000	2,380,254,000

Footnotes at end of table.

Comparative statement of appropriations for 1962 and estimates for 1963, and amounts recommended in bill for 1963, and conference allowances—Continued

TITLE IV—FOREIGN ASSISTANCE PROGRAMS

Item	Appropriations, 1962	Budget estimates, 1963	Recommended in House bill for 1963	Amount recom- mended in Senate bill, 1963	Conference allowances, 1963
Public Law 480:					
Sales for foreign currencies.....	\$1,250,451,000	\$1,293,000,000	\$1,080,632,000	\$700,000,000	\$1,080,632,000
Emergency famine relief.....	140,868,000	364,000,000	250,000,000	189,000,000	250,000,000
Long-term supply contracts.....	13,000,000	90,000,000	40,000,000	50,000,000	40,000,000
Total, Public Law 480.....	1,404,319,000	1,747,000,000	1,370,632,000	939,000,000	1,370,632,000
International Wheat Agreement.....	70,681,000	96,868,000	81,218,000	15,650,000	81,218,000
Bartered materials for supplemental stockpile.....	125,000,000	343,067,000	125,000,000	92,867,000	125,000,000
Total, title IV, foreign assistance programs.....	1,600,000,000	2,186,935,000	1,576,850,000	1,047,517,000	1,576,850,000

TITLE V—RELATED AGENCIES

Farm Credit Administration: Limitation on administrative expenses.....	(\$2,590,000)	(\$2,565,000)	(\$2,565,000)	(\$2,565,000)	(\$2,565,000)
Interior Department: Grain for migratory waterfowl.....	35,000				
Total, title V, related agencies.....	35,000				

SUMMARY OF THE BILL

Total appropriations:					
Title I—General activities.....	\$1,356,274,500	\$1,510,069,000	\$1,404,582,500	\$1,513,856,000	\$1,485,319,500
Title II—Credit agencies.....	54,406,000	55,324,000	44,406,000	44,606,000	44,606,000
Title III—Corporations.....	2,976,074,000	2,602,455,000	2,390,004,000	2,169,004,000	2,380,254,000
Title IV—Foreign assistance programs.....	1,600,000,000	2,186,935,000	1,576,850,000	1,047,517,000	1,576,850,000
Title V—Related agencies.....	35,000				
Grand total.....	5,986,789,500	6,354,783,000	5,475,842,500	4,774,983,000	5,487,029,500

¹ Includes \$100,000 increase contained in H. Doc. No. 447 for research on strontium 90 in milk.

² Includes \$2,750,000 for screw-worm eradication for which estimate carried in 2d supplemental appropriation bill, 1962, available in 1963.

³ Includes \$950,000 increase contained in H. Doc. No. 447 for river basin surveys.

⁴ Includes \$150,000 increase contained in H. Doc. No. 447 for food management planning.

⁵ In addition, \$45,000,000 transferred from sec. 32 funds.

⁶ In addition, \$3,117,000 transferred from sec. 32 funds.

⁷ Includes \$300,000 increase contained in H. Doc. No. 447 for food management planning.

⁸ Established a consolidated appropriation item under the head "Expenses, Agricultural Stabilization and Conservation Service," for items formerly appropriated for

within the items of "Acreage allotments and quotas" through "Special agricultural conservation and adjustment programs," for administrative expense costs.

⁹ Includes \$70,000,000 contingency authorization.

¹⁰ Includes amendment in H. Doc. No. 447 transferring \$55,000,000 from telephone to electrification loans.

¹¹ Of this amount, \$100,000,000 placed in contingency reserve for both electrification and telephone loans.

¹² Includes \$30,000,000 contingency reserve.

¹³ Includes \$40,000,000 for ownership and \$11,000,000 for soil and water conservation loans.

¹⁴ Includes \$37,500,000 for contingency reserve, plus \$10,000,000 additional approved 2d Supplemental Appropriation Act, 1962.

¹⁵ Of which \$50,000,000 placed in contingency reserve.

Mr. RUSSELL. Madam President, it was with a heavy heart that I moved that the Senate recede from its amendment No. 19, which involved a budgeted item for a marketing research peanut facility in my State. I regret very much to see that project lost this year. It was omitted due to some controversy that arose among the peanut producers and the confectionery makers, and on account of false statements on the floor of the House. I hope that the Department will resubmit the item next year. In that event I trust that the Senate will see fit to approve it, and we will try again.

In the conference report the Senate did not get all that was contained in the amendments, but we did sustain the principle that the Senate could amend an appropriation bill to include facilities even though the other body had not included any facilities specifically requested by the Members of that body.

We were not able to get all the money the Senate allowed for the utilization research in which so many Members were interested. But we got a rather substantial amount—\$4,875,000. I hope that next year we shall be able to approach the problem on a broader front and more intelligently than we have done in the past in order to avoid the wastage of the hundreds of millions of dollars that have been lost because production research has so far outrun the knowledge that we have accumulated on how to use the things that we pro-

duce. All in all, I believe the Senate has done about as well as it could be expected to do on this legislation.

Mr. YOUNG of North Dakota. Madam President, will the Senator yield?

Mr. RUSSELL. I yield to the distinguished Senator from North Dakota.

Mr. YOUNG of North Dakota. The distinguished chairman of the subcommittee, the Senator from Georgia [Mr. RUSSELL], went a long way toward resolving the difference between the House and the Senate. Contrary to many newspaper stories, long ago the senior Senator from Georgia agreed to recede in relation to a peanut laboratory, despite the fact that the item was contained in the budget estimate. Planning funds were appropriated last year. I understand that the city of Dawson spent approximately \$200,000 to \$300,000 in extending sewer and water systems to the proposed plant. In spite of all that, in order to reach an agreement among the conferees, the Senator from Georgia agreed weeks ago to delete that item. His action went a long way, but I could see no other course that he could take. The House was adamant on this laboratory.

Mr. RUSSELL. I thank the Senator.

Mr. MANSFIELD. Madam President, I corroborate every word spoken by the chairman of the subcommittee, the distinguished Senator from Georgia [Mr. RUSSELL], and the ranking minority member of the subcommittee, the distinguished Senator from North Dakota

[Mr. Young]. I know how hard they worked, despite the stories, falsehoods, innuendos, and rumors that have been spread. The Record has been cleared in that respect. The Senate can be proud of the action taken by its conferees, and certainly as satisfied as we could be, all circumstances considered, in the final settlement arrived at.

MOLLY KWAUK

Mr. COOPER. Madam President—

Mr. MANSFIELD. I yield to the Senator from Kentucky.

Mr. COOPER. I ask that the bill from the House of Representatives (H.R. 9669) entitled "An act for the relief of Molly Kwauk", and the Senate amendments to that bill, be laid before the Senate. I shall then move that the Senate recede from its amendments.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 9669) for the relief of Molly Kwauk, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. COOPER. Madam President, H.R. 9669, entitled "An act for the relief of Molly Kwauk," was passed by the House. It came to the Senate and was referred to the Senate Committee on the Judiciary, which had also an identical bill I had introduced in the Senate.

The Committee on the Judiciary reported the bill favorably to the Senate, but added an amendment, which was an act for the relief of Yom Tov Brisk. The bill with the amendment was passed by the Senate and, as has just been noted, the House has asked for a conference.

The Senate has not appointed conferees.

The bill which was attached was introduced by my friend the Senator from New York [Mr. KEATING]. I have discussed the subject with him. I shall let him speak for himself. He is willing to agree that the Senate should recede from its amendment.

Mr. KEATING. Madam President, I shall not oppose the motion of the distinguished Senator from Kentucky. But I take that position with a very heavy heart. It is based on the sole consideration that the bill for the relief of Molly Kwauk might not be enacted if I were to insist upon the action taken by the Senate.

Molly Kwauk is a feeble-minded young lady, 25 years old, who is now in Hong Kong. If the bill for her relief dies in this session, she will be sent back to Communist China, where her only relative is an 80-year-old grandmother.

The Senate Committee on the Judiciary added to the bill for Molly Kwauk my bill for the relief of Yom Tov Brisk. It did so because in its considered judgment Yom Tov Brisk's case was similar on its facts and therefore was deserving of the same sympathetic treatment as the bill for the relief of Molly Kwauk.

Yom Tov Brisk is a little boy, now 10 years old, whose father, a rabbi, came to this country from Israel in August 1958. Rabbi Brisk was required to leave his wife and four children behind, because the little boy, Yom Tov, who is afflicted not with feeble-mindedness, but another mental defect, was unable to pass the physical examination.

It is very difficult for me to understand why the House was not willing to look with compassion on this little boy's case, as it did with the older Molly Kwauk. Both cases involved the question of waiving, for humanitarian and compassionate reasons, the same basic exclusion provision of our immigration laws, that relates to the mental health of the visa applicant. It defies reason, Madam President, to attempt to draw any distinction between these two unfortunate cases on the ground that one involves feeble-mindedness and the other mental defect.

We of the Senate Judiciary Committee have smarted under what we have felt was—and we still feel is—unjust treatment of our private immigration measures in the other body. As in the case of my bill for Yom Tov Brisk, the House committee has frequently tabled Senate-passed bills which were of the same general character as some sent to us from the House. However, so far as I am concerned, the chairman of the Judiciary Committee of the House, Representative CELLER, has assured me he will cooperate in the next session in trying to have the bill for Yom Tov Brisk enacted.

For now, Madam President, I cannot have it on my conscience to add to the misfortune of Molly Kwauk by forcing her to return to Communist China where, quite obviously, her 80-year-old grandmother would be unable to give her the loving care and attention she desperately needs. For that reason I shall not oppose the motion of the distinguished Senator from Kentucky.

Mr. COOPER. I thank the Senator from New York for his compassion.

I hope very much that final action can now be taken on the bill for the relief of Molly Kwauk, H.R. 9669. The bill was approved by both the House and the Senate Committees on the Judiciary so far as the Molly Kwauk case is concerned, and passed both houses—but in the Senate with an amendment adding to it a separate bill for the relief of another person.

Molly Kwauk is now in Hong Kong, where she faces deportation to Communist China if action on this bill is not completed. Her mother, who escaped from the Communists, is chief of anesthesia at the Veteran's Hospital in Louisville, Ky., and has been trying very hard for a long time to secure clearance for Molly to enter the United States.

Molly Kwauk's mother, a U.S. citizen, is her only living relative except for an 80-year-old grandmother in Communist China; she has satisfied the Committees on the Judiciary that Molly will not become a public charge. The mother was formerly chief of anesthesia at Peiping Union Medical College, and associate professor at the Shanghai Medical College, prior to coming to the United States in 1948 for advanced study and becoming a citizen in 1955.

Molly is living with refugees in Hong Kong, but her situation there is most insecure. There will be no one to care for her if she is returned to Communist China. Her mother, who is a doctor, pleads for the chance to care for her daughter. While the daughter has been determined mentally deficient, she is said to have a mental age of 10, and is not a hopeless case.

Congressman FRANK BURKE, of Louisville, and I have been working on this case for over a year. While I cannot be familiar with the details in the second case, added by the Senate to the bill for Molly Kwauk, I think it would be tragic if the case approved by both committees on its merits were to fail because of disagreement over an entirely separate case which has no connection with the facts in this case.

Madam President, I move that the Senate recede from its amendments to H.R. 9669.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to.

SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 1963

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 2246 (H.R. 13290).

THE PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

THE LEGISLATIVE CLERK. A bill (H.R. 13290) making supplemental appropriations for the fiscal year ending June 30, 1963, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported by the Committee on Appropriations, with amendments.

Mr. MANSFIELD. Madam President, I hope it will be possible for the Senate to complete the consideration of the pending bill, the last supplemental appropriation bill, this evening. Whether or not that can be done, of course, rests with the Senate as a whole to decide. However, if it could be done, it would take a weight off our shoulders. Conferees could be appointed. There would be no meetings of the conferees until tomorrow, but it would mean that most of the remaining proposed legislation—practically all, if not all of it—would be in conference and would be in the process of being worked out between the conferees of both Houses.

Therefore, I hope that the Senate will be patient and that it will be possible to complete the consideration of the bill this evening. If so, we would clear the decks to that extent.

Mr. KEATING. Madam President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. KEATING. I join the distinguished majority leader in hoping that we can complete consideration of the bill tonight. I have at the desk a motion to suspend the rules with reference to this bill, in order to include in it an item for a million and a half dollar appropriation for the city of New York. The bill authorizing these funds has been reported, with only two dissenting votes, by the Committee on Foreign Relations. Unfortunately, we have not been able to get any further action in this Senate. Therefore, at the appropriate time, I shall move to suspend the rule. There has been a great deal of talk about this bill. Everyone seems to be in favor of it, but there has been very little action on it. I merely advise the majority leader of what I intend to do, in order that he may be acquainted with my intention.

Mr. MANSFIELD. I appreciate what the distinguished Senator from New York has said. I hope that he will not press his point. I realize that he has ample justification for taking the attitude he is now taking. I know how hard—and I mean hard—the Senator from New York has been working on the proposal to which he has referred. I hope, in view of the attendant circumstances at this particular time in the session, and in view of the fact that we are trying to dispose of the business of the Senate and get back to our States to visit with our people, the Senator from New York will reconsider his position, of which everyone is fully aware, and will not force the majority leader, if no other Senator were to do so, to

House of Representatives

THURSDAY, OCTOBER 11, 1962

The House met at 12 o'clock noon.
The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:
Ephesians 4: 1: *I therefore beseech you that ye walk worthy of the vocation wherewith ye are called.*

Almighty God, we earnestly pray that the holiness of the life and the heroism of the faith of our blessed Lord may daily be given a larger and more welcome place in our minds and hearts and find a richer outflow in Christlike character and conduct.

May we yield ourselves without reservation or restraint to those disciplines whereby we are made ready to know and worthy to receive a more vivid experience of the spiritual realities and a more intimate fellowship with Him whose name is above every name.

Show us how to be rich in that love and those ambitions which never seek their own and in that courage which remains strong and steadfast when the winds are contrary.

Grant that our mental attitudes, and our methods of approach to our difficult problems may all be under the inspiration and guidance of Thy Holy Spirit whose will and ways are fundamental and final, immutable and inescapable.

Hear us in our Saviour's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill and concurrent resolutions of the House of the following titles:

H.R. 555. An act for the relief of Elmore County, Ala.;

H. Con. Res. 570. Concurrent resolution expressing the sense of the Congress with respect to the situation in Berlin; and

H. Con. Res. 583. Concurrent resolution to provide for the printing of 185,000 copies of the Constitution of the United States and the amendments thereto.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 6371. An act to amend section 37 of the Internal Revenue Code of 1954 with respect to the limitation on retirement income; and

H.R. 9045. An act to amend the Trading With the Enemy Act, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10620. An act to amend section 213 of the Internal Revenue Code of 1954 to increase the maximum limitations on the amount allowable as a deduction for medical, dental, etc., expenses.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12580) entitled "An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1963, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 2, 20, 27, and 33.

The message also announced the appointment of Mr. ROBERTSON as a conferee on the bill (H.R. 12276) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1963, and for other purposes."

UNPATENTED MINING CLAIMS

The SPEAKER. The unfinished business is the question on the adoption of the conference report on the bill (S. 3451) to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes.

The question is on the adoption of the conference report.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. SAYLOR. Mr. Speaker, on this I demand the yeas and nays.

The yeas and nays were refused.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 182, nays 77, not voting 177, as follows:

[Roll No. 290]

YEAS—182

Abernethy	Gonzalez	Natcher
Albert	Granahan	Nix
Alford	Grant	Norrell
Andersen,	Gray	Nygaard
Minn.	Green, Pa.	O'Brien, N.Y.
Ashley	Hagan, Ga.	O'Hara, Ill.
Ashmore	Hagen, Calif.	Olsen
Avery	Halleck	Osmer
Bailey	Halpern	Passman
Baldwin	Hansen	Patman
Barrett	Hardy	Pelly
Bass, Tenn.	Harris	Perkins
Battin	Harrison, Wyo.	Pfost
Beckworth	Healey	Pilcher
Bennett, Fla.	Hechler	Poff
Boggs	Hemphill	Price
Boland	Henderson	Pucinski
Bolling	Hcllong	Purcell
Bonner	Holland	Randall
Brooks, Tex.	Horan	Rhodes, Ariz.
Broomfield	Huddleston	Rhodes, Pa.
Bucke, Mass.	Ichord, Mo.	Rivers, S.C.
Burleson	Jarman	Roberts, Tex.
Byrne, Pa.	Jennings	Rodino
Cahill	Joelson	Rogers, Fla.
Casey	Johnson, Calif.	Rosenthal
Chelf	Johnson, Md.	Rostenkowski
Chenoweth	Jones, Mo.	Roush
Clark	Karsten	Rutherford
Cohelan	Kearns	St. Germain
Colmer	Kelth	Selden
Cook	Kelly	Sikes
Cooley	Keogh	Sisk
Cunningham	Kilgore	Slack
Daddario	King, Calif.	Smith, Iowa
Daniels	Kirwan	Smith, Miss.
Davis, Tenn.	Kitchin	Smith, Va.
Dawson	Kluczynski	Spence
Delaney	Kornegay	Sted
Dent	Landrum	Stephens
Derwinski	Lane	Stubblefield
Dowdy	Lankford	Taylor
Downing	Latta	Thomas
Dulski	Lennon	Thornberry
Dwyer	Lesinski	Toll
Edmondson	Libonati	Trumble
Everett	McFall	Tuck
Fallon	McMillan	Udall, Morris K.
Fascell	Macdonald	Vanik
Feighan	Madden	Waggonner
Finnegan	Mahon	Walter
Fisher	Maillard	Weaver
Flood	Matthews	Westland
Forrester	Marrow	Whitener
Fountain	Mills	Whitten
Frelinghuysen	Monagan	Wickersham
Garmatz	Montoya	Widnall
Gary	Morris	Willis
Gavin	Multer	Winstead
Gialmo	Murphy	Young
Gilbert	Murray	Zablocki

NAYS—77

Abbitt	Dague	May
Alger	Derounlan	Meador
Anderson, Ill.	Dole	Miller, N.Y.
Ashbrook	Dorn	Milliken
Ayres	Ford	Minshall
Bates	Fulton	Moeller
Becker	Goodell	Moore
Beermann	Goodling	Morse
Betts	Griffin	Mosher
Bolton	Gross	Norblad
Bow	Gubser	Ostertag
Bray	Hall	Pike
Broyhill	Hosmer	Pirnie
Bruce	Jensen	Quic
Cannon	Johansen	Ray
Chamberlain	Jonas	Reece
Church	King, N.Y.	Riehlman
Clancy	Knox	Roudebush
Collier	Kunkel	Ryan, N.Y.
Corbett	Langen	St. George
Cramer	Lindsay	Saylor
Curtis, Mo.	Mathias	Schenck

Schneebeil
Schweiker
Springer
Stafford

Taber
Thomson, Wis.
Tupper
Utt

Van Pelt
Wharton
Williams

NOT VOTING—177

Adair	Garland	O'Konski
Addabbo	Gathings	O'Neill
Alexander	Glenn	Peterson
Andrews	Green, Oreg.	Philbin
Anfuso	Griffiths	Pillion
Arends	Haley	Poage
Aspinall	Harding	Powell
Auchincloss	Harrison, Va.	Rains
Baker	Harsha	Reifel
Baring	Harvey, Ind.	Reuss
Barry	Harvey, Mich.	Riley
Bass, N.H.	Hays	Rivers, Alaska
Belcher	Hébert	Roberts, Ala.
Bell	Hiestand	Robison
Bennett, Mich.	Hoeven	Rogers, Colo.
Berry	Hoffman, Ill.	Rogers, Tex.
Blatnik	Hoffman, Mich.	Rooney
Blitch	Hollifield	Roosevelt
Boykin	Hull	Rousselot
Brademas	Inouye	Ryan, Mich.
Breeding	Johnson, Wis.	Santangelo
Brewster	Jones, Ala.	Saund
Bromwell	Judd	Schadeberg
Brown	Karh	Scherer
Buckley	Kastenmeier	Schwengel
Burke, Ky.	Kee	Scott
Byrnes, Wis.	Kilburn	Scranton
Carey	King, Utah	Seely-Brown
Cederberg	Kowalski	Shelley
Celler	Kyl	Sheppard
Chiperfield	Laird	Shipley
Coad	Lipscomb	Short
Conte	Loser	Shriver
Corman	McCulloch	Sibal
Curtin	McDonough	Siler
Curtis, Mass.	McDowell	Smith, Calif.
Davis	McIntire	Staggers
James C.	McSween	Stratton
Davis, John W.	McVey	Sullivan
Denton	MacGregor	Teague, Calif.
Devine	Mack	Teague, Tex.
Diggs	Magnuson	Thompson, La.
Dingell	Marshall	Thompson, N.J.
Dominick	Martin, Mass.	Thompson, Tex.
Donohue	Martin, Nebr.	Tollefson
Dooley	Mason	Ullman
Doyle	Michel	Van Zandt
Durno	Miller	Vinson
Elliot	George P.	Wallhauser
Ellsworth	Moorehead, Ohio	Watts
Evins	Moorhead, Pa.	Weis
Farbstein	Morgan	Whalley
Fenton	Morrison	Wilson, Calif.
Findley	Moss	Wilson, Ind.
Fino	Moulder	Wright
Flynt	Nedzi	Yates
Fogarty	Nelsen	Younger
Frazier	O'Brien, Ill.	Zelenko
Friedel	O'Hara, Mich.	
Gallagher		

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Wallhauser for, with Mr. Wilson of California against.

Mr. Hébert for, with Mr. Rousselot against.

Mr. Baring for, with Mr. Schadeberg against.

Mr. Harding for, with Mr. Kilburn against.

Mr. Rivers of Alaska for, with Mr. Fino against.

Mr. Morgan for, with Mr. Adair against.

Mr. Aspinall for, with Mr. Harsha against.

Mr. Rogers of Colorado for, with Mr. Brown against.

Mr. Ellsworth for, with Mr. Harvey of Indiana against.

Mr. Ullman for, with Mr. Hiestand against.

Mr. Burke of Kentucky for, with Mr. McCulloch against.

Mr. Inouye for, with Mr. Martin of Nebraska against.

Mr. Hull for, with Mr. Teague of California against.

Mr. Staggers for, with Mr. Devine against.

Mr. Magnuson for, with Mr. McIntire against.

Mr. Moorhead of Pennsylvania for, with Mr. Hoffman of Michigan against.

Mr. Short for, with Mr. Barry against.

Mr. Martin of Massachusetts for, with Mr. Garland against.

Mr. Auchincloss for, with Mr. Wilson of Indiana against.

Mr. Sheppard for, with Mr. Younger against.

Mr. Shelley for, with Mr. Smith of California against.

Mr. Miller of California for, with Mr. Laird against.

Mr. Mack for, with Mr. Hoeven against.

Mr. Fogarty for, with Mr. Hoffman of Illinois against.

Mr. Dingell for, with Mr. Harvey of Michigan against.

Mr. Loser for, with Mr. Bell against.

Mr. Thompson of Louisiana for, with Mr. MacGregor against.

Mr. Morrison for, with Mr. McVey against.

Mr. Doyle for, with Mr. Scherer against.

Mr. Sibal for, with Mr. Neisen against.

Until further notice:

Mr. Haley with Mr. Belcher.

Mr. Evins with Mr. Fenton.

Mr. Denton with Mr. Durno.

Mr. Anfuso with Mr. Dooley.

Mr. Carey with Mr. Garvin.

Mr. Buckley with Mr. Tollefson.

Mr. Farbstein with Mr. Conte.

Mr. Powell with Mr. Bennett of Michigan.

Mr. Rooney with Mr. Anderson of Illinois.

Mr. Cornman with Mr. Kyl.

Mr. Kastenmeier with Mr. Glenn.

Mr. John W. Davis with Mr. Judd.

Mr. Nedzi with Mr. O'Konski.

Mr. O'Brien of Illinois with Mr. Michel.

Mr. O'Neill with Mr. Berry of South Dakota.

Mr. Philbin with Mr. Findley.

Mr. Donohue with Mr. Curtin of Pennsylvania.

Mr. Zelenko with Mr. Dominick.

Mr. Wright with Mr. Siler.

Mr. Addabbo with Mr. Van Zandt.

Mr. Breeding with Mr. Scranton.

Mr. Rogers of Texas with Mr. Reifel.

Mr. Hollifield with Mr. McDonough.

Mr. Hays with Mr. Bromwell.

Mr. Blatnik with Mr. Cederberg.

Mr. Alexander with Mrs. Weis.

Mr. Scott with Mr. Robison.

Mr. Santangelo with Mr. Chiperfield.

Mr. Stratton with Mr. Moorehead of Ohio.

Mr. Friedel with Mr. Curtis of Massachusetts.

Mr. Gallagher with Mr. Pillion.

Mr. Brewster with Mr. Schwengel.

Mr. Thompson of New Jersey with Mr. Seely-Brown.

Mr. Brademas with Mr. Mason.

Mr. RHODES of Arizona changed his vote from "nay" to "yea."

Mr. BECKER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

DEPARTMENT OF AGRICULTURE
APPROPRIATIONS, 1963

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H.R. 12648, with Senate amendments Nos. 2, 19, 44, and 47 through 54, and further insist upon disagreement to said amendments.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTEN]?

There was no objection.

Mr. WHITTEN. Mr. Speaker, by direction of the Committee on Appropriations I submit a report (Rept. No. 2551)

on the joint resolution (H.J. Res. 903) making continuing appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes and ask unanimous consent that it may be taken up at any time.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there is appropriated out of any money in the Treasury not otherwise appropriated, and out of applicable corporate and other revenues, receipts, and funds, such amounts as may be necessary for continuing projects or activities which were conducted in the fiscal year 1962 by the Department of Agriculture, including the corporations therein, and the Farm Credit Administration, at a rate for operations not in excess of the current rate (amount appropriated or authorized to be expended in fiscal year 1962), together with such amounts as may be necessary to finance additional projects or increased activities of the Department of Agriculture as agreed to by the Senate and House of Representatives at the rate for operations and under the terms, conditions, and provisions contained in H.R. 12648, Eighty-seventh Congress, and additional projects or increased activities included by the Senate and agreed to by the House of Representatives.

The SPEAKER. The joint resolution is referred to the Union Calendar and ordered to be printed.

Is there objection to the request of the gentleman from Mississippi [Mr. WHITTEN] that it be in order to consider the joint resolution at any time?

Mr. BASS of Tennessee. Mr. Speaker, I reserve the right to object.

Mr. WHITTEN. Mr. Speaker, may I say to the gentleman, this is exactly the same bill as passed by the House but is provided in resolution form and it is not expected that it will have to be called up at all.

Mr. BASS of Tennessee. Is this a continuing resolution for the appropriations?

Mr. WHITTEN. It is, and it is merely in reserve. May I say, Mr. Speaker, that I have discussed the bill with the Members on the other side. We anticipate a meeting this afternoon, and it is anticipated that this matter will be resolved. In fact I feel certain we can and will agree.

Mr. BASS of Tennessee. I would like to say to the gentleman I can see absolutely no reason why the conferees on the part of the House and the Senate cannot get together on an appropriation bill in a period of 9 or 10 months. For us to be delayed here for this period of time and then be forced into the necessity of adopting a continuing resolution for an appropriation bill because of conflict between the House and the Senate over a fight that was perpetrated not by the membership but by some long-standing disagreements of individuals, I think it is high time that we got down to work and these conference committees come back with a conference report and get the work of this body finished.

I sincerely believe that the work of this House can be terminated today, and

this sort of resolution is going to continue it on.

Mr. WHITTEN. Mr. Speaker, will the gentleman withhold his objection?

Mr. BASS of Tennessee. I withhold my objection.

Mr. WHITTEN. May I say to the gentleman that his objection defeats his own argument. I expect to bring the report back today in agreement and to move on. Should the gentleman object to this proposal, he could thereby have delayed the House 3 days before we could act if ever we should have to fall back on this motion.

Mr. BASS of Tennessee. Will the gentleman give the rule of the House under which it would be delayed 3 days?

Mr. WHITTEN. In that unless I get such consent, this resolution could not be brought up until it has been filed and laid over.

Mr. BASS of Tennessee. This resolution cannot, but a conference report can; so I am not not delaying anything.

Mr. WHITTEN. That is right. But we want this in case we have to fall back on it. Frankly in view of the state of the record and statements in the press I feel the facts concerning your House Committee should be made a matter of record. I would hope that the membership of the conferees both of this body and the other body would get to work and bring back a report today.

Mr. WHITTEN. May I say to the gentleman that there has been very little difference at all in my opinion. This is the first time there has been any discussion of the relative merits of the two positions despite press comments and despite debate in the other body.

May I say that if objection is raised here it will lessen the chances of our getting together.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. BASS of Tennessee. I yield.

Mr. HORAN. The action we are taking carries out exactly what the gentleman from Tennessee wants.

Mr. BASS of Tennessee. I do not see that it does. This Congress certainly cannot adjourn unless we perfect appropriation bills, and if conference reports are not filed, we cannot work them out.

Mr. HORAN. If we proceed under the regular order, we would have to wait 3 days more before we could consider the matter.

Mr. WHITTEN. May I say to the gentleman from Tennessee that of course he can object; that is his privilege, but I hope he will not.

Mr. BASS of Tennessee. If you gentleman can get together in the next few minutes, why do you not go ahead and have your conference and let us delay this resolution for a few minutes so that you can get together?

Mr. WHITTEN. No. I say to the gentleman that I do not anticipate actually needing or using this resolution, but I want to have it for the reasons I have given. My effort is to expedite the business of the House.

Mr. BASS of Tennessee. My only effort is to protect the Members who want to go home and who very badly need to be home.

They have got to campaign. This business of having these arguments in conference committees and not bringing the bills back for consideration is nonsensical.

Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection? There was no objection.

Mr. HORAN reserved all points of order.

SPEAKER EMPOWERED TO DECLARE RECESS AT ANY TIME

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that for the balance of this week it may be in order for the Speaker to declare a recess at any time, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CONSIDERATION OF CONFERENCE REPORTS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that during the remainder of the 2d session of the 87th Congress it may be in order to consider conference reports at any time they are reported, notwithstanding the provisions of clause 2, rule XXVIII.

Mr. GROSS. Mr. Speaker, I object.

[Mr. CRAMER addressed the House. His remarks will appear hereafter in the Appendix.]

CORRECTION OF THE RECORD

Mr. MORRIS. Mr. Speaker, on page A7548 of the CONGRESSIONAL RECORD for October 10, 1962, several introductory lines were inadvertently omitted. I ask unanimous consent that the permanent bound RECORD be corrected to include the following:

Mr. MORRIS. Mr. Speaker, I would like to call the attention of my colleagues to a newsletter written by the distinguished gentleman from Arizona, Representative MORRIS K. UDALL. His report to constituents follows:

CONGRESSMAN'S REPORT

(By MORRIS K. UDALL)

WHO'S WINNING THE COLD WAR?

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

WEST VIRGINIA NO LONGER SHORTCHANGED—II

(Mr. HECHLER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HECHLER. Mr. Speaker, yesterday I presented official statistics of the Department of Defense indicating that West Virginia, which ranked 46th in the Nation in the per capita amount of military prime contracts in the last full fiscal year under the Eisenhower administration, now ranks 30th in the Nation under President Kennedy.

In the fiscal year 1960, the total amount of prime military contracts awarded by the Department of Defense

amounted to \$36,098,000 for West Virginia—or \$19.51 per person. In the fiscal year 1962, West Virginia obtained \$133,782,000—or \$72.31 per person.

This is a phenomenal rate of increase in military contracts for West Virginia. It represents an increase of 270 percent when measured per capita according to the population of the State of West Virginia. As President Kennedy himself recently pointed out at Wheeling, W. Va., it is an absolute increase of 272 percent.

I would like to point out, Mr. Speaker, that this rate of increase is third in the Nation. There are only two States in the Union—Arkansas and North Dakota—whose rate of increase in per capita military prime contracts was greater than that of West Virginia between the years 1960 and 1962.

This rate of increase for West Virginia is still another example of the fact that President Kennedy is fulfilling his 1960 campaign pledges to the people of West Virginia.

HON. FRANK E. SMITH

(Mr. WILLIAMS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WILLIAMS. Mr. Speaker, I regret that I was unable to be present on October 8 when tribute was paid our colleague, the gentleman from Mississippi, FRANK SMITH. I was unavoidably absent because of the illness of Mrs. Williams.

The gentleman from Mississippi, FRANK SMITH, has made many contributions to the Nation. As an expert on flood control and water resources development, he worked diligently and energetically in those areas. He has been especially helpful on projects in Mississippi and the Midsouth. I am grateful for the assistance he has given me and the residents of my district on matters before the Committee on Public Works.

We are all delighted that FRANK will have further opportunity to serve his country as a member of the Board of Directors of the Tennessee Valley Authority. He is well qualified for the position and I know that he will serve with dignity, honor and integrity. He has my sincere best wishes in the future.

THE VALOR AND THE SACRIFICES OF JEWS IN DEFENSE OF OUR COUNTRY AND ITS FREEDOMS

(Mr. LANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include an article.)

Mr. LANE. Mr. Speaker, few of us have fully appreciated the remarkable contributions of our fellow Americans who profess the Jewish faith, to the Armed Forces of our Nation. From colonial days to the present they have been in the forefront of freedom's defenders. In proportion to their numbers, they have compiled an amazing record of heroism that deserves recognition in the pages of the CONGRESSIONAL RECORD.

The impressive book "Jews in American Wars," by J. George Fredman and Louis A. Falk, gives us this information

in complete detail. With this reference, plus extensive research of his own, one of my constituents, Anthony Cama, of Lynn, Mass., has condensed this factual story in a very graphic way. The fact that he, director of the Italian School in Lynn, devoted so much time and writing skill to this unified account of Jewish courage, is in itself a tribute to those ideals that join the separate elements of our pluralistic society into the fellowship of freemen; and their willingness to fight and die for these principles.

The Jewish people are proud of their service in defense of our Nation. As more Americans learn of their inspiring patriotism, it will strengthen all of us to meet the tests ahead, confident that no power on earth can ever divide us because we measure a man not by race or creed but by what he does for our shared heritage.

In this spirit I bring you "A Tribute to Jews in the American Wars," written by Anthony Cama, from the September 30, 1962, edition of the Lynn (Mass.) Sunday Post:

A TRIBUTE TO JEWS IN THE AMERICAN WARS
(By Anthony Cama)

Out of the tormented cauldron and the crucible of old Europe came the children of Israel to a new and challenging world, a vast virgin continent peopled by a strange and bizarre race of redskin mortals. They came out of thousands of years of struggles and strife, out of the seeds of Moses and Abraham, down from the sacred Mt. Sinai bringing the Ten Commandments to civilizations mute at the presentation of a Divine Creator, the Father of the universe.

They came to America, where the fantastic, unbelievable miracle of freedom of religion was taking place. In their torrential spiritual veins they carried the irresistible ripples of a Messiah called Jesus, who enlightened and inflamed the world with the Cross of love and salvation of man.

And so, into the American colonies came the Jews, a trickle of 2,000 scattered along the Atlantic coast amid a population of 3 million other colonists. Here they had come as Sephardic Jews, who, like the other races, had ventured forth over the menacing ocean roads to escape religious, economical, and political oppression. At last, perhaps, the promised land had been found—thousands of miles away from Judea.

Speaking directly to the many gracious readers who have followed my articles in the pages of the Lynn Sunday Post let it be said that this writer is, above all, a teacher. It is my mission, with the help of God, that I may bring forth to the people how much we owe to the foreign-born for the blessings we enjoy in this great democratic country of ours. This article speaks on this last Sunday of September about the Jews and their undeniable sacrifices to the United States of America.

That I may weave well their historic threads into the resplendent fabric of our Nation's birth and growth let it be known that there were Jews on the voyage of discovery led to America by that immortal Genovese mariner, Christopher Columbus. That intrepid sailor was aided by Spanish Jews and Jewish map and instrument makers.

In the New World the first Jew appeared in New Amsterdam in 1654. He was a determined and proud person by the name of Asser Levy, who mounted guard on equal standing with the Gentiles at the timber walls of a fort in Manhattan. He fought Peter Stuyvesant unwaveringly until he and

other Jews were admitted to citizenship in New Amsterdam on April 21, 1657.

I quote from the stirring book, "Jews in American Wars," by J. George Fredman and Louis A. Fark:

"The colonists, who had crossed the Atlantic, likened themselves to the Israelites, who had traversed the Red Sea to reach the Promised Land. They had fought the Indians as the Twelve Tribes had struggled against the Canaanites. Rev. Ezra Stiles, president of Yale College, liked to call America the New Israel. In a sermon in 1775, President Samuel Langdon of Harvard told the Massachusetts Congress that the Hebrew government (as described in the Bible) was a 'perfect republic.' Thomas Paine, in his 'Common Sense,' pointed to the prophet Samuel's rebuke of Israel for desiring a king as a divine 'protest against monarchical government.' The Reverend Jonathan Mayhew, of Boston, argued that 'God gave Israel a king in his anger because they had not sense and virtue enough to like a free commonwealth and have Himself for their King.'"

Is it small wonder, indeed, that the tocsin tongue of the Liberty Bell rang out its joyous cry at the signing of the Declaration of Independence, since it carried an inscription taken from the Old Testament: "Proclaim liberty to all the land and to all the inhabitants thereof."

When the blood of the new Nation erupted like volcanic lava, many Jews joined the Revolutionary cause, serving with honor in George Washington's army. Solomon Etting, of Baltimore, wrote: "The Jews were always at their posts and always foremost in all hazardous enterprises."

Salvador Francis, a popular plantation owner of South Carolina, who earned the appellation of "The Southern Paul Revere," fought three merciless engagements until he was killed and scalped.

David Emanuel, later elected to the governorship of Georgia, was one of the distinguished, fearless spirits in Rebel Town, not far from Augusta. He was sentenced to be shot for his Revolutionary work, but in a daring leap upon a horse, he escaped within the intricate wilds of a dense swamp.

Colonel Franks was an aid, first to Gen. Benjamin Lincoln and later to Gen. Benedict Arnold. After the complete exoneration of himself and others in the treason trial of Benedict Arnold, Franks was promoted and dispatched with secret documents for Ambassador Benjamin Franklin in France. He was included by Thomas Jefferson in his planned delegation to the peace conference.

In the Revolutionary Army Lt. Col. Solomon Bush served with distinction in the Pennsylvania Supreme Executive Council. A member of his militia, earning a citation for valor by the State's family, Capt. Lewis Bush was fatally wounded in the struggle for Brandywine.

Among the Frenchmen who came to America with Lafayette in 1777 was colorful and dynamic Maj. Benjamin Nones. He served as a private under Count Pulaski and Baron DeKalb. When DeKalb fell in the Battle of Camden in 1780, it was Nones who helped to remove him from the battlefield.

Dr. Phillip Moses Russel was with the Army at Valley Forge during the tragic and trying days of the winter of 1777-78.

No historic writing concerning the valiant Jews who sacrificed and fought for America would be complete without adding to the pages of glory the name of Haym Salomon, a unique hero of the War for Independence. It is estimated that he was instrumental in the pouring of more than \$640,000 into the Revolution in loans for the Army, salaries for the officials and cash for other needed financial aids. He died impoverished at the age of 45. Salomon was born in Lissa, Poland, in 1740 and came to New York after the

anguished dismemberment of his native land. He was well educated and could speak 10 languages. He cast his lot with the Sons of Liberty and was arrested many times by the British and flung into prison. Finally caught and tortured, he was condemned to be hanged. With the help of friends he escaped to Philadelphia, where he reestablished his business and supported the starving Colonial Army. James Madison wrote:

"When any member of the Revolutionary Congress was in need, all that was necessary was to call on Salomon."

Another unforgettable man, reputed to be the wealthiest Jew in America, was Aaron Lopez, whose fleet of merchant ships and other properties were confiscated by the British. He gave invaluable financial aid to the cause of liberty during the Revolution.

In the War of 1812, when our young Nation was spreading its sails across the oceans, America fought and destroyed the threat of the Tripolitanian pirates. At that time the freedom of the seas was endangered by the powerful fleets of England, locked in a battle with France. This was mainly a battle of the seas, and the outstanding hero was the French Jewish privateersman, Commodore John Ordoneau, whose notable feats are described by William Maclay, historian of the American Navy. The defeat of a British 40-gun frigate by his armed ship, *Prince de Neudchatel*, is a most magnificent naval saga.

Another great fighting mariner was Commodore Uriah P. Levy, who died in 1862 and was one of the highest ranking officers in the Navy. On his return from France his armed ship, *Argus*, destroyed 21 British merchant vessels and captured a number of other ships. Meeting the heavily armed British frigate, *Pelican*, Levy fought a courageous and audacious battle until the *Argus* was sunk and he was taken prisoner. He suffered for 16 months in Dartmoor prison.

When Commodore Levy returned to the United States he worked tirelessly to effect important changes in American Navy procedure. He finally achieved his greatest feat by bringing about the abolishment of corporal punishment in the Navy. On his tombstone is inscribed this singular humanitarianism:

"He was the father of the law for the abolition of the barbarous practice of corporal punishment in the Navy of the United States."

Many were the Jewish hearts and spirits which stood in "the rockets' red glare" when Francis Scott Key wrote "The Star-Spangled Banner."

After the cessation of hostilities in the War of 1812, the growing and expanding America embarked upon an era of the unprecedented growth in all areas. In the 1840's and 1850's the iron rails linked East and West. Telegraph poles sprouted over desert and plain. The eyes and feet of this ambitious infant Nation pointed westward. Then came war with Mexico over Texas.

The doctor who accompanied Gen. Samuel Houston through the war in Texas was a surgeon, Moses Albert Levy. Abraham Wolf was killed in the Battle of the Alamo. A famous Jewish officer of the Mexican War was Surgeon General David de Leon of South Carolina.

General deLeon won the sobriquet "the fighting doctor" in the Battle of Chapultepec. Twice he led cavalry charges into the cannon's mouth. In 1861 he resigned as surgeon major in the Union Army to accept an appointment as First Surgeon General of the Confederacy. More than 57 Jews are prominently mentioned in the records of the Mexican War.

In the War Between the States thousands of Americans fought one another in the unflinching belief that they were right. The grief-filled fratricidal war of South and

greedy eyes on the Jamaican shores. The Communist pressures on the emerging nation of Jamaica are bound to be enormous and I say: "Thank God we have an Ambassador who is ideally equipped enormously experienced, and prodigiously endowed with courage and integrity who can fight these pressures in our behalf."

Mr. Speaker, this is a brilliant appointment. I know that the vast majority of the Members of this body wish to congratulate William C. "Bill" Doherty on being the first representative from the ranks of organized labor in this country to be raised to Ambassadorial rank. But—as a member of the opposite political party I want to extend my warm congratulations to the President, John F. Kennedy, for having the imagination, the wisdom, and the foresight to nominate such an outstandingly qualified American citizen for this extremely important mission to a very important sector of our hemisphere.

I shall miss the smiling, cheery countenance of Bill Doherty, as will many of my colleagues. Because of his absence from the Capitol Hill scene there will be a little void. And in some of the social gatherings in which Bill presided over as President of the NALC, I shall also miss his fine Irish tenor voice singing "Beautiful Ohio" and "My Wild Irish Eyes."

To Bill Doherty, his charming and wonderful wife, and his lovely family, go my prayers and best wishes for continued good health, happiness, and success.

PUBLIC WORKS ACCELERATION ACT

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 5 minutes.

(Mr. LANE asked and was given permission to revise and extend his remarks.)

[Mr. LANE'S remarks will appear hereafter in the Appendix.]

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 57 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 5 o'clock and 10 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate further insists upon its amendments numbered 2, 19, 44, 47, 48, 49, 50, 51, 52, 53, and 54 to the bill (H.R. 12648) entitled "An act making appropriations for the Department

of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes", requests a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. HAYDEN, Mr. ELLENDER, Mr. YOUNG of North Dakota, and Mr. MUNDT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12820. An act to validate the coverage of certain State and local employees in the State of Arkansas under the agreement entered into by such State pursuant to section 218 of the Social Security Act.

The message also announced that the Senate agrees to the amendments of the House to a bill and a joint resolution of the Senate of the following titles:

S. 3705. An act to amend the District of Columbia Police and Firemen's Salary Act of 1958, as amended, to increase salaries, to adjust pay alignment, and for other purposes; and

S.J. Res. 208. Joint resolution to establish a Commission to develop and execute plans for the celebration of the one hundred and fiftieth anniversary of the Battle of Lake Erie, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1447) entitled "An act to amend the District of Columbia Teachers' Salary Act of 1955, as amended, and to provide for the adjustment of annuities paid from the District of Columbia teachers' retirement and annuity fund."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3451) entitled "An act to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10620) entitled "An act to amend section 213 of the Internal Revenue Code of 1954 to increase the maximum limitations on the amount allowable as a deduction for medical, dental, etc., expenses."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12135) entitled "An act to authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill

(H.R. 12276) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1963, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments numbered 1, 8, and 11 to the above-entitled bill.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 12648, with Senate amendments Nos. 2, 19, 44, and 47 through 54, further disagree to said amendments and agree to the conference requested by the Senate.

Mr. Speaker, may I proceed for one moment?

The SPEAKER. The gentleman may proceed.

Mr. WHITTEN. May I say to the membership that we have had preliminary discussions with our colleagues on the other side, and if you will bear with us, I am sure it will be only a matter of a very few minutes until we will be able to be back with an agreement, because we have discussed and we understand each other. If you will just bear with us and stay on the floor for a few minutes longer, I think we can be back shortly.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

The Chair hears none and appoints the following conferees: Messrs. WHITTEN, NATCHER, CANNON, HORAN, and TABER.

Mr. WHITTEN. Mr. Speaker, I had preliminarily indicated what I felt and appealed to the membership to stay on the floor. I should have asked the Speaker if it would be all right to consider this later in the day.

I now assure the Speaker that it will be but a very brief time before we will be back, and I hope we can have unanimous consent to take this matter up in a few moments when we return.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

APPOINTMENT OF MEMBERS OF ST. AUGUSTINE QUADRICENTENNIAL COMMISSION

The SPEAKER. Pursuant to the provisions of section 1, Public Law 87-586, the Chair appoints as members of the St. Augustine Quadricentennial Commission the following Members on the part of the House: Mr. MATTHEWS of Florida and Mr. CRAMER of Florida.

RECESS

The SPEAKER. The Chair declares a recess until 5:30 o'clock p.m.

Thereupon, at 5 o'clock and 14 minutes p.m., the House stood in recess until 5 o'clock and 30 minutes p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 5 o'clock and 30 minutes p.m.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1963

Mr. WHITTEN submitted the following conference report and statement on the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 2554)

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 19, 44, 48, 49, 50, 52, and 54. The committee of conference report in disagreement amendments numbered 2, 47, 51, and 53.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,

Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H.R. 12648) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE Agricultural Research Service

Amendment No. 2.—Research: Reported in disagreement. The managers on the part of the House will offer a motion to recede and concur with an amendment which will include the following Senate increases and amounts to which the conferees have agreed:

Research:
To staff new research laboratories..... \$325,000
Cost of production research..... 670,000
Expanded utilization research..... 4,875,000

5,870,000

Construction:

Soil and water facilities, Sidney, Mont..... 395,000
Soil and water facilities, Mandan, N. Dak..... 400,000
Soil and water facilities, Watkinsville, Ga..... 125,000

Construction—Continued

Entomology and crop facilities, Tucson, Ariz.....	\$585,000
Tree fruit and nut crops facilities, Byron, Ga.....	500,000
Small fruit facilities, Carbon- dale, Ill.....	165,000
Modernization of facilities, Beltsville, Md.....	160,000
Poultry research facilities, East Lansing, Mich.....	450,000
	2,780,000

Total increases.....	8,650,000
House bill total.....	77,473,000
Total 1963 appropriation.....	86,123,000

Agricultural Marketing Service

Amendment No. 19.—Construction of facilities: Eliminates \$1,600,000 for research facility in Georgia.

Commodity Credit Corporation

Amendment, No. 44.—Reimbursement for net realized losses: Appropriates \$2,278,455,000 as proposed by the House instead of \$2,066,955,000 as proposed by the Senate.

Foreign assistance programs

Amendments Nos. 47 through 50.—Public Law 480: Include language inserted by the Senate and appropriate \$1,080,632,000 under title I as proposed by the House instead of \$700,000,000 as proposed by the Senate and \$250,000,000 under title II as proposed by the House instead of \$189,000,000 as proposed by the Senate and \$40,000,000 under title IV as proposed by the House instead of \$50,000,000 as proposed by the Senate.

Amendments Nos. 51 and 52.—International Wheat Agreement: Restore House language, insert Senate language, and appropriate \$81,218,000 as proposed by the House instead of \$15,650,000 as proposed by the Senate.

Amendments Nos. 53 and 54.—Bartered materials for supplemental stockpile: Restore House language, insert Senate language, and appropriate \$125,000,000 as proposed by the House instead of \$92,867,000 as proposed by the Senate.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
WALT HORAN,
JOHN TABER,

Managers on the Part of the House.

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill H.R. 12648 and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

Mr. WHITTEN. Mr. Speaker, the two bodies having agreed on most of the items in this bill, there are only a few items left in disagreement.

Briefly, in the report which we have brought to you, on which both sides have agreed, the Senate has receded on the \$1,600,000 for the peanut laboratory. They have receded on the \$17,500,000 of un earmarked funds for construction under utilization research. They have gone along with the House figures on financing price supports for a full year instead of a half year.

The House in turn has agreed to go along with \$1,775,000 for five research laboratories added by the Senate. Insofar as the figures in disagreement for the actual running of the Department are concerned, we have tied down all the

funds that are approved. In substitution for the peanut laboratory we have gone along with the other five which were added in the other body. I think that on the whole this will enable the Department to operate on a sound basis for the coming year.

Mr. ABBITT. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. ABBITT. Mr. Speaker, I desire to commend the chairman of the subcommittee and the conferees on this side for the splendid work they have done and for their determination to stand by the position of the House of Representatives on this bill. I realize this was done under great pressure and they were subject to unjustified criticism. I extend to you my thanks for your work in this connection.

Mr. WHITTEN. I thank the gentleman for his comment and wish to assure him that in the final analysis we had the cooperation of the folks on both sides of the Capitol. We think we have reached what can be termed a fair solution of a difficult problem.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. FOUNTAIN. I, too, want to commend the distinguished chairman of the subcommittee, the gentleman from Mississippi [Mr. WHITTEN], and all of the House conferees for the splendid job they have done in sustaining the position of the House. Theirs has not been an easy task, as we all know.

(Mr. FOUNTAIN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. I thank my colleague.

Mr. Speaker, I yield to my colleague, the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Speaker, the only comment I have to make is in behalf of my colleague, the gentleman from Mississippi [Mr. WHITTEN]. In this conference we were faced with a rather difficult task. I think he carried off his duties with dignity and with some concern for the taxpayers' dollars. I do think that in this Congress of ours we should have processes of orderly and controlled appropriations. I said before and I say now, I do not think a person can serve on the Appropriations Committee and win any popularity contests if he does his job seriously. I am concerned with the budget. I have developed an allergy against red ink. I may retire from the House one of these days—now I will be frank with you, I do not want to retire on a 10-cent dollar. When the final report is made by the gentleman from Missouri [Mr. CANNON], I think you are going to find that we have spent more than we have taken in, as measured by any system of budgeting that we might consider in this country. I just say that as we make this report to you, I think you owe a debt of gratitude for the hardwork JAMIE WHITTEN has put in on this bill.

Mr. Speaker, I know it has been a pleasure for me to work with him. With

as much knowledge as we could bring to bear on this matter, we bring back to you a final conference report that we hope meets the needs of American agriculture. That is all I have to say at this time, but I do want to pledge to you that if I am reelected and remain a member of the Committee on Appropriations, that we will continue to consider our duties on this committee, which is an agency of this House, and that it will be done to the best of my ability and with some idea as to maintaining the fiscal solvency of the United States.

Mr. WHITTEN. Mr. Speaker, I certainly appreciate the statement of my friend and colleague from the State of Washington. Through the years we have worked together on this subcommittee. At present he is the ranking Republican member. Earlier today some speeches were made with reference to his predecessor who served many years in this capacity, the gentleman from Minnesota, Mr. H. CARL ANDERSEN, who has rendered a real service to American agriculture. I say for the record that the conference this year was handled

for the minority by my colleague, the gentleman from Washington. Certainly I know, as is evidenced by the conference report which is now before you, he will do a fine job for the American people and for American agriculture.

Mr. Speaker, may I say for the record that we have never approached this bill in a partisan manner and I know that we never will.

(Mr. WHITTEN asked and was given permission to insert a table in the RECORD at this point.)

The table is as follows:

H.R. 12648—Department of Agriculture and related agencies appropriation bill, 1963

Item	Budget estimates	Passed House	Passed Senate	Conference action	Conference action compared with—		
					Budget estimate	House	Senate
Title I—General activities.....	\$1,510,069,000	\$1,464,582,500	\$1,513,856,000	\$1,485,319,500	—\$24,749,500	+\$20,737,000	—\$28,536,500
Title II—Credit agencies.....	55,324,000	44,406,000	44,606,000	44,606,000	—10,718,000	+200,000	
Title III—Corporations.....	2,602,455,000	2,390,004,000	2,169,004,000	2,380,254,000	—222,201,000	—9,750,000	+211,250,000
Title IV—Foreign assistance programs.....	2,186,935,000	1,576,850,000	1,047,517,000	1,576,850,000	—610,085,000		+529,333,000
Total appropriations.....	6,354,783,000	5,475,842,500	4,774,983,000	5,487,029,500	—867,753,500	+11,187,000	+712,046,500
Total loan authorizations.....	(805,000,000)	(805,000,000)	(820,000,000)	(820,000,000)	(+15,000,000)	(+15,000,000)	

Mr. WHITTEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 3, line 9, strike out:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, \$77,473,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a);".

And insert in lieu thereof the following:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, \$106,126,500, including such amounts as may be necessary, notwithstanding the foregoing limitations, to remain available until expended, for the construction, alteration, and equipping of facilities and acquisition of the necessary land therefor by purchase, donation or exchange: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a);".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted, insert the following:

"Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$77,473,000; plus additional amounts for research as follows: \$325,000 for staffing new research laboratories, \$670,000 for research on cost of production, and \$4,875,000 for ex-

panded utilization research; and plus the following amounts, to remain available until expended, for construction, alteration and equipping of facilities: \$395,000 for soil and water research facilities at Sidney, Montana, \$450,000 for poultry research facilities at East Lansing, Michigan, \$400,000 for Mandan, North Dakota, \$125,000 for the Southern Piedmont soil and water facility, \$585,000 for Tucson, Arizona, \$500,000 for the regional tree fruit and nut crops station in the Southeast, \$165,000 for the research station at Carbondale, Illinois, and \$160,000 for improvement of heating, water and electrical systems at the Agricultural Research Center at Beltsville, Maryland; in all, \$86,123,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113(a));".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 32, line 4, after "recoverable," insert "and unrecovered prior years' costs, including interest thereon,".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: Page 32, line 16, strike out "expenses during fiscal year 1963" and insert "unrecovered prior years' cost, including interest thereon,".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "expenses

during fiscal year 1963 and unrecovered prior years' cost, including interest thereon,".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: Page 32, line 22, strike out "expenses during fiscal year 1963" and insert "unrecovered prior years' costs".

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "expenses during fiscal year 1963 and unrecovered prior years costs".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

INCREASE DEDUCTIONS ON MEDICAL AND DENTAL EXPENSES

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 10620) to amend section 213 of the Internal Revenue Code of 1954 to increase the maximum limitations on the amount allowable as a deduction for medical, dental, and so forth, expenses.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. NO. 2555)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10620) to amend section 213 of the Internal

Revenue Code of 1954 to increase the maximum limitations on the amount allowable as a deduction for medical, dental, etc., expenses, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 7, and 8.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, and 5 and agree to the same.

WILBUR D. MILLS,
CECIL R. KING,
HALE BOGGS,
NOAH M. MASON,
JOHN W. BYRNES,

Managers on the Part of the House.

HARRY FLOOD BYRD,
ROBT. S. KERR,
RUSSELL B. LONG,
JOHN J. WILLIAMS,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10620) to amend section 213 of the Internal Revenue Code of 1954 to increase the maximum limitations on the amount allowable as a deduction for medical, dental, etc., expenses, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Senate amendment No. 1 adds a new section 2 to the House bill. The proposed section 2 contains the substance of H.R. 10117, as passed by the House. The amendment would allow a pension or annuity plan, qualified under the Internal Revenue Code of 1954, to provide for the payment of benefits for sickness, accident, hospitalization, and medical expenses of retired employees and their spouses and dependents, if such benefits are subordinate to the retirement benefits provided by the plan. It would make it possible for an employer, where he chooses to do so, to provide these benefits through a qualified pension or annuity plan, rather than being required to do so separately, as under existing law. Under the proposed section 2, this feature would apply to plans funded through insurance, as well as to trusted plans.

The House recedes.

Amendment No. 2: Under regulations recognized and approved by the Congress in House Concurrent Resolution 50, 79th Congress, and under section 39.23(m)-16 of regulations 118, a taxpayer had an option to charge certain intangible drilling and development costs in connection with oil and gas properties to capital, or to expense such costs. After the taxpayer has exercised this option, he is bound thereby with respect to all optional expenditures covered by the regulation, whenever made, in connection with oil and gas properties.

Senate amendment No. 2 would give a taxpayer who has exercised such an option to capitalize intangible drilling and development costs (rather than deducting such costs as expenses) a new option to deduct such costs as expenses. The new option is granted for the first taxable year ending on or after the date of enactment of the bill, and shall be exercised at the time of filing the return for that year, but otherwise is treated for all purposes as an option exercised under, and subject to, section 263(c) of the Internal Revenue Code of 1954 (relating to intangible drilling and development costs in the case of oil and gas wells) and the regulations prescribed thereunder.

The House recedes.

Amendment No. 3: Under existing law (sec. 5121 of the 1954 code) each State and local government retail liquor store as well as each privately owned retail liquor store is required to pay an annual special occupational tax of \$54. Senate amendment No. 3 amends section 5123(b) of such code (which relates to dealers conducting their liquor business in more than one location) so as to provide that a State or political subdivision operating retail liquor stores will be required to pay only one such tax each year instead of paying the tax separately for each store location, and makes additional changes of a purely technical and conforming nature.

The House recedes.

Amendment No. 4: Existing section 1341(a) of the 1954 code provides alternative methods of computing the tax where the taxpayer restores a substantial amount held under claim of right. Senate amendment No. 4 adds two new paragraphs to section 1341(b) to specify rules relating to (1) the treatment of net operating loss carryovers for purposes of determining which of the alternative methods of computation will be used, and (2) the treatment of net operating loss carryovers and capital loss carryovers for taxable years after the year of restoration after the determination has been made as to which of the alternative methods of computation will be used.

The House recedes.

Amendment No. 5: Existing section 7608 of the 1954 code provides that internal revenue officers who are charged with the duty of enforcing subtitle E of the code or other Federal laws pertaining to liquor, tobacco, and firearms shall have certain specified powers (including the power to carry firearms, to serve warrants, subpoenas, and summonses, and to make certain arrests and seizures in the performance of their duty). Senate amendment No. 5 adds to section 7608 a new subsection (b) which would provide that criminal investigators of the Intelligence Division of Internal Security Division of the Internal Revenue Service who are charged with the duty of enforcing any of the criminal provisions of the internal revenue laws (or other criminal provisions relating to internal revenue) shall have power to execute and serve search and arrest warrants and serve Federal subpoenas and summonses, to make arrests without warrants for offenses involving the internal revenue laws, and to seize property subject to forfeiture under such laws.

The House recedes.

Amendment No. 6: Section 4521 of the Internal Revenue Code of 1954 provides for the imposition of an import tax on certain petroleum products. Senate amendment No. 6 added a new section 4522 to the code to provide that no tax is to be imposed under section 4521 on any article sold for use as fuel on vessels of the United States employed as common carriers on the high seas or the Great Lakes pursuant to certification by the Interstate Commerce Commission.

The Senate recedes.

Amendment No. 7: Section 824(a) of the Internal Revenue Code of 1954 (as contained in sec. 8 of the Revenue Act of 1962) provides that in determining the statutory underwriting income or loss of certain mutual casualty insurance companies for the taxable year there is to be allowed a special deduction in the case of any company having a concentrated windstorm, etc., premium percentage, of more than 40 percent. In determining this percentage, the computation may be made on the basis of an area consisting of one State, or an area within 200 miles of any fixed point selected by the taxpayer.

Senate amendment No. 7 added a third alternative area as a basis for the computation; namely, an area within 400 miles of any

fixed point selected by the taxpayer. However, if the taxpayer elected this third alternative, his special deduction was reduced by one-half.

The Senate recedes.

Amendment No. 8: This amendment amended section 543(c)(11) of the Internal Revenue Code of 1954, which deals with an exception from the definition of "personal holding company" for certain small business investment companies. It also amended section 1243 of the code, which deals with the loss of a small business investment company on certain securities acquired pursuant to section 304 of the Small Business Investment Act of 1958.

The Senate recedes.

WILBUR D. MILLS,
CECIL R. KING,
HALE BOGGS,
NOAH M. MASON,
JOHN W. BYRNES,

Managers on the Part of the House.

1ST LT. CHARLES M. COX

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1961) for the relief of 1st Lt. Charles M. Cox, U.S. Army, retired.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BATTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. LANE. This bill would relieve a retired Army man of liability to pay \$6,800.58 representing payments of longevity pay based upon credit for service in the New York organized militia from January 1920 to October 1926. This was based upon a certificate of service made during World War II in 1942. The payments were spread over the years from 1942 through 1960.

The Department of the Army found that the man has been subjected to a severe financial hardship by reason of this liability. The Army has no objection to the bill.

Mr. BATTIN. This is the general type of legislation where a mistake was made, and it would be at this time a hardship upon the man to have to repay something through an error that was not his fault?

Mr. LANE. That is true, and that is what the record shows.

Mr. GROSS. Mr. Speaker, further reserving the right to object, as I understand it this bill and the bill that follows provide there will be no collection of overpayments from each of these individuals.

Once again we have before us the administrative failures that have resulted in overpayments to these two Army officers. I want to renew again my protest—I shall not object to these bills—to the fact that nowhere have I been able to discover in the report on this bill any showing that anyone has been held responsible, that there has been any penalization of those who made these administrative errors.

I hope in the next session of Congress we will begin to get reports where responsibility for errors has been fixed.

Mr. LANE. I thank the gentleman.



An Act

76 STAT. 1203.

Making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1963; namely:

Department
of Agriculture
and Related
Agencies
Appropriation
Act, 1963.

DEPARTMENT OF AGRICULTURE

TITLE I—GENERAL ACTIVITIES

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, and home economics, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$15,000, except for four buildings to be constructed or improved at a cost not to exceed \$30,000 each and one building to be constructed at a cost not to exceed \$50,000, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for conversion of animal disease and parasite research facilities at Beltsville, Maryland:

58 Stat. 742.
60 Stat. 810.

58 Stat. 742.

Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, and for acquisition of land by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$77,473,000; plus additional amounts for research as follows: \$325,000 for staffing new research laboratories, \$670,000 for research on cost of production, and \$4,875,000 for expanded utilization research; and plus the following amounts, to remain available until expended, for construction, alteration and equipping of facilities: \$395,000 for soil and water research facilities at Sidney, Montana, \$450,000 for poultry research facilities at East Lansing, Michigan, \$400,000 for Mandan, North Dakota, \$125,000 for the Southern Piedmont soil and water facility, \$585,000 for Tucson, Arizona, \$500,000 for the regional tree fruit and nut crops

station in the Southeast, \$165,000 for the research station at Carbondale, Illinois, and \$160,000 for improvement of heating, water and electrical systems at the Agricultural Research Center at Beltsville, Maryland; in all, \$86,123,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113(a));

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), \$58,055,500, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases to the extent necessary to meet emergency conditions: *Provided*, That, \$150,000 shall be available, notwithstanding the foregoing limitations, for the construction and equipping of facilities and acquisition of the necessary land therefor by purchase, donation, or exchange: *Provided further*, That no funds shall be used to formulate or administer a brucellosis eradication program for fiscal year 1964 that does not require minimum matching by any State of at least 40 per centum. *Provided*, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat, and meat-food products, and the applicable provisions of the laws relating to process or renovated butter, \$25,000,000.

Special fund: To provide for additional labor to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$1,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research".

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104(a), and for agricultural and forestry research authorized by section 104(k) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(a)(k)), to remain available until expended, \$5,265,000: *Provided*, That this appropriation shall be available, in addition to other appropriations for these purposes, for the purchase of the foregoing currencies: *Provided further*, That funds appropriated herein shall be used to pur-

62 Stat. 198.

61 Stat. 7.

31 USC 665.

68 Stat. 455.

73 Stat. 606.

72 Stat. 275.

chase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for purchase of foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

73 Stat. 606.

58 Stat. 742.

60 Stat. 810.

COOPERATIVE STATE EXPERIMENT

STATION SERVICE

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations and other expenses, including \$37,113,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture; \$500,000 for payments authorized under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623); \$250,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; and \$344,000 for necessary expenses of the Cooperative State Experiment Station Service, including administration of payments to State agricultural experiment stations, of which not more than \$25,000 shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$38,207,000.

69 Stat. 671.

60 Stat. 1089.

7 USC 361f.

58 Stat. 742.

60 Stat. 810.

EXTENSION SERVICE

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), \$62,020,000; and payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,570,000; in all, \$63,590,000: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

67 Stat. 83.

69 Stat. 683.

60 Stat. 1089.

7 USC 343.

Retirement costs for extension agents: For cost of employer's share of Federal retirement for cooperative extension employees, \$6,765,000.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, \$2,490,000.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$2,499,500.

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), \$682,000.

44 Stat. 802.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, \$90,705,500: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for one building to be constructed at a cost not to exceed \$25,000 and eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service.

49 Stat. 163.

58 Stat. 742.

60 Stat. 810.

WATERSHED PROTECTION

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), to remain available until expended, \$60,585,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That not to exceed \$100,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not to exceed \$3,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

58 Stat. 666.

49 Stat. 163.

58 Stat. 742.

60 Stat. 810.

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, 49 Stat. 1570; approved June 22, 1936 (33 U.S.C. 701-709, 16 U.S.C. 1006a), as 74 Stat. 131. amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of 58 Stat. 742. August 2, 1946 (5 U.S.C. 55a), to remain available until expended; 60 Stat. 810. \$25,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That not to exceed \$1,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes.

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), \$12,250,000, to remain available until 70 Stat. 1115. expended.

ECONOMIC RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, 60 Stat. 1087. including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; \$9,500,000: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further*, That not to exceed \$75,000 of the appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of 58 Stat. 742. August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not less than 60 Stat. 810. \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

STATISTICAL REPORTING SERVICE

SALARIES AND EXPENSES

60 Stat. 1087. For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$9,693,000: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop.

AGRICULTURAL MARKETING SERVICE

MARKETING RESEARCH AND SERVICE

58 Stat. 742.
60 Stat. 810. For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, including the administration of marketing regulatory acts connected therewith; research and development, including related cost and efficiency evaluations, and services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States; and not to exceed \$25,000 for employment at rates not to exceed \$50 per diem, except for employment in rate cases at not to exceed \$100 per diem, pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in carrying out section 201(a) to 201(d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203(j) of the Agricultural Marketing Act of 1946, \$39,794,500: *Provided*, That appropriations hereunder shall be available pursuant to 5 U.S.C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$15,000, except for two buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater.

PAYMENTS TO STATES AND POSSESSIONS

60 Stat. 1089. For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,425,000.

SPECIAL MILK PROGRAM

7 USC 1446 note. For necessary expenses to carry out the Special Milk Program, as authorized by the Act of August 8, 1961 (75 Stat. 319), \$105,000,000.

SCHOOL LUNCH PROGRAM

60 Stat. 230.
42 USC 1754.
49 Stat. 774.
7 USC 612c.
42 USC 1755. For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760), \$125,000,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: *Provided further*, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$16,895,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

68 Stat. 908.

70 Stat. 1034.

49 Stat. 774.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development activities authorized by section 104(a) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(a)), \$4,000,000, to remain available until expended: *Provided*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses: *Provided further*, That this appropriation shall be available, in addition to other appropriations for these purposes, for the purchase of the foregoing currencies.

68 Stat. 455.

73 Stat. 606.

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), \$1,022,000.

42 Stat. 998;

49 Stat. 1491.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

EXPENSES, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

For necessary administrative expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948 (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(d), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590o, 590p(a), and 590q) as added by section 132 of the Act of August 8, 1961; and subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), \$95,423,000: *Provided*, That, in addition, not to exceed \$51,379,500 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund, and additional amounts not to exceed \$30,000,000, may be transferred con-

52 Stat. 38.

61 Stat. 922.

49 Stat. 1149.

75 Stat. 302.

16 USC 590p.

70 Stat. 191;

73 Stat. 552.

tingent upon the enactment of H.R. 12391, Food and Agriculture Act of 1962.

Ante, p. 605.

SUGAR ACT PROGRAM

61 Stat. 922.

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101-1161), \$77,650,000, to remain available until June 30 of the next succeeding fiscal year.

AGRICULTURAL CONSERVATION PROGRAM

49 Stat. 1149.

74 Stat. 236;

75 Stat. 233.

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g-590(o), 590p(a), and 590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$212,900,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Related Agencies Appropriation Acts, 1961 and 1962, carried out during the period July 1, 1960, to December 31, 1962, inclusive: *Provided*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of the funds for the 1963 program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Service Circular 39, Wetlands of the United States, 1956: *Provided further*, That necessary amounts shall be available for administrative expenses in connection with the formulation and administration of the 1963 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the 1963 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the 1963 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Depart-

49 Stat. 1148.

16 USC 590g-

590q.

ment, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

53 Stat. 1147;

54 Stat. 767.

5 USC 118i.

62 Stat. 792.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, \$300,000,000, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants.

70 Stat. 191;

73 Stat. 552.

OFFICE OF THE GENERAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$3,695,000.

OFFICE OF INFORMATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, \$1,610,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-three thousand and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241) : *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a).

34 Stat. 690.

28 Stat. 612.

58 Stat. 742.

60 Stat. 810.

NATIONAL AGRICULTURAL LIBRARY

SALARIES AND EXPENSES

For necessary expenses of the National Agricultural Library, \$1,153,500.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

60 Stat. 237.

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, including expenses of the National Agricultural Advisory Commission; repairs and alterations; and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; \$3,341,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by the Administrative Procedures Act (5 U.S.C. 1001): *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed \$225,000 shall be transferred by the Secretary from other appropriations available to the Department of Agriculture for the expenses of the Office of Internal Audit and Inspection.

TITLE II—CREDIT AGENCIES

RURAL ELECTRIFICATION ADMINISTRATION

49 Stat. 1363.

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATIONS

7 USC 907,903.

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, as follows: Rural electrification program, \$400,000,000, of which \$100,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1963 under the then existing conditions for the expeditious and orderly development of the rural electrification and rural telephone programs; and rural telephone program, \$80,000,000.

SALARIES AND EXPENSES

58 Stat. 742.

60 Stat. 810.

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), \$10,024,000.

FARMERS HOME ADMINISTRATION

DIRECT LOAN ACCOUNT

75 Stat. 315.

7 USC 1985.

7 USC 1921 note.

Direct loans and advances under subtitles A and B, and advances under section 335(a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307) may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans, \$50,000,000; and operating loans, \$290,000,000, of which \$50,000,000 shall be placed in reserve to be used only to the extent required during the fiscal year 1963 under the then existing conditions for the expeditious and orderly conduct of the loan program.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307), title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1484), and the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444) ; \$34,582,000, together with not more than \$1,050,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farmers Home Administration Act of 1961, and section 514(b) (3) of the Housing Act of 1949, as amended.

7 USC 1921 note.
63 Stat. 432;
75 Stat. 186.
64 Stat. 98.
75 Stat. 309.
7 USC 1929.
42 USC 1484.

TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

61 Stat. 584.
31 USC 849.

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$6,799,000.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$3,080,000 of administrative and operating expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To partially reimburse the Commodity Credit Corporation for net realized losses sustained during the fiscal year ending June 30, 1961, pursuant to the Act of August 17, 1961 (75 Stat. 391), \$2,278,455,000.

15 USC 713a-11.

REIMBURSEMENT FOR SPECIAL MILK PROGRAM

To reimburse the Commodity Credit Corporation for amounts advanced for the fiscal year beginning July 1, 1961, for the special milk program for children pursuant to the Act of July 1, 1958, as amended (7 U.S.C. 1446; 75 Stat. 147-148, 319), \$95,000,000.

7 USC 1446 note.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$43,188,500 shall be available for administrative expenses of the Corporation: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679

31 USC 665.

of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledge collateral, shall be considered as nonadministrative expenses for the purposes hereof.

TITLE IV—FOREIGN ASSISTANCE PROGRAMS

PUBLIC LAW 480

68 Stat. 455,
457; 73 Stat.
606.

For expenses during fiscal year 1963, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1709, 1721-1724, 1731-1736), to remain available until expended, as follows: (1) Sale of surplus agricultural commodities for foreign currencies pursuant to title I of said Act, \$1,080,632,000; (2) commodities disposed of for emergency family relief to friendly peoples pursuant to title II of said Act, \$250,000,000; and (3) long-term supply contracts pursuant to title IV of said Act, \$40,000,000.

INTERNATIONAL WHEAT AGREEMENT

73 Stat. 600.

For expenses during fiscal year 1963 and unrecovered prior years' cost, including interest thereon, under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641-1642), \$81,218,000, to remain available until expended.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

70 Stat. 200;
73 Stat. 611;

For expenses during fiscal year 1963 and unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to Public Law 540, Eighty-fourth Congress (7 U.S.C. 1856), \$125,000,000, to remain available until expended.

TITLE V—RELATED AGENCIES

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$2,565,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses.

76 STAT. 1214.
76 STAT. 1215.

TITLE VI—GENERAL PROVISIONS

Passenger motor
vehicles.

SEC. 601. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed four hundred and seventy-six passenger motor vehicles, of which four hundred and forty-three shall be for replacement only, and for the hire of such vehicles.

Employment of
aliens.

SEC. 602. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

SEC. 603. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

68 Stat. 1114.
Restriction.

SEC. 604. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 605. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Twine.

SEC. 606. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

Contracting.

60 Stat. 1082,
1087; 72 Stat.
1793.

This Act may be cited as the "Department of Agriculture and related Agencies Appropriation Act, 1963".

Short title.

Approved October 24, 1962.

3540 E.